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FRIDAY, MARCH 7, 1952.

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COMMENT OF
THE DAY

Socialist "Rebels"

QUOTE the most significant feature of the Commons debate and voting on the Government's defence plan was the open revolt staged by Mr Aneurin Bevan and his followers against the official Labour Party directive which called for solid backing of the Socialist Opposition non-confidence amendment. It was the most emphatic challenge to Mr Attlee's leadership since last year's General Election. Moreover the Bevanites persuaded nearly a fifth of the Socialist MPs to follow their lead and to abstain from voting. What was originally a rift in the Parliamentary Labour Party has become an open and widening breach. The British Labour Party may very well be split in two in consequence of Wednesday's developments. Mr Attlee and his lieutenants cannot ignore this threat to their authority; they will, undoubtedly demand disciplinary action against the 62 "rebels". But even if they secure majority support from the Parliamentary Labour Party, they will continue to be confronted with the menace of the Bevanite splinter group who, particularly in parliamentary debates, can cause the official Socialist Opposition considerable embarrassment.

MR ATTLEE can possibly be held responsible in part for the defiance which a fifth of his political colleagues displayed this week. His amendment to the Government's defence motion was not brilliantly conceived. To suggest seriously that Mr Churchill was incapable of carrying out a defence scheme was somewhat fatuous. Even Mr Richard Crossman, principal spokesman for the "rebels", and therefore the most critical opponent of the Government's proposals, declared, "Of all the things I would most hesitate to challenge Churchill, it would be on his competence to carry out a defence programme." It was, in fact, the terms of the Opposition amendment which provided the Bevanites with their opportunity for a test of strength with the main Parliamentary Labour Party, and it was conceivably the logic of Mr Crossman's criticism of the amendment which enabled him to obtain over 60 supporters. Mr Attlee appears to have placed himself in an unhappy position. His party leadership and the solidity of the Socialist Opposition are both in jeopardy. It may well be that this week's events will lead to the virtual disappearance of a cohesive Opposition in the House of Commons during the existence of the present Government.

HK'S POLICY OF PROGRESS ENDORSED

Comprehensive Review Of The Far East Situation Given By Sir Arthur Morse

HONGKONG BANK ANNUAL MEETING

SIR ARTHUR MORSE THIS MORNING EXPRESSED FULL ENDORSEMENT OF THE POLICY OF ADVANCEMENT WHICH GOVERNMENT, UNDER THE GUIDANCE OF THE GOVERNOR, SIR ALEXANDER GRANTHAM, IS FOLLOWING IN HONGKONG. HE TOLD SHAREHOLDERS AT THE ANNUAL MEETING OF THE HONGKONG AND SHANGHAI BANKING CORPORATION THAT IN VIEW OF THE LONG LIST OF IMPORTANT PUBLIC WORKS ON THE FINANCIAL PROGRAMME THERE WAS NO ROOM FOR COMPLACENCY ABOUT THE FINANCIAL POSITION OF THE COLONY.

In a comprehensive review of economic, social and financial conditions in the Far East, Southeast Asia, and India, Sir Arthur Morse made the following points:

FAR EAST: Even if political developments in the East get no worse, it is difficult to see how stability can be expected while there is inflationary spending and incompetence on the part of Governments, and a sad lack of law and order in many areas.

HONGKONG: The UN embargo and United States restrictions have created difficulties which "are just another instance of the pernicious injustices brought about by controls, restrictions and embargoes, however justifiable they may seem to be."

CHINA: I do not propose to attempt to penetrate the curtain which hangs over China—whether it is bamboo or iron . . . I will however say this. What is at stake in all this turmoil and confusion is something that goes far deeper than party dogma or political theories; it depends upon the honour, good faith and fundamental character of the Chinese people.

ANGLO-US RELATIONS: In political matters there are divergencies, as was honestly recognised by President Truman and Mr Churchill in their joint statement issued at Washington last January, and as we in Hongkong know so well. But divergencies can be straightened out if realistic attempts to do so are made by both parties on all levels. I sincerely hope that this will be done in the near future.

SIR ARTHUR'S SPEECH

Addressing shareholders, Sir Arthur Morse said:

We meet here today, still under the shadow of the loss suffered by the Commonwealth and Empire just four weeks yesterday, when the death occurred of our beloved King George VI. In his life His Majesty symbolised some of those characteristics which as a nation we have long considered important—a sense of duty, service for others and the family life. Our sympathy goes out to the members of the Royal Family and especially to the three generations of Queens who hold a very special place in our hearts. We greet the accession of Queen Elizabeth II with pride, hope and trust. No successor to the throne could be so welcome. She is the ideal Queen. Long may she reign over us.

Turning to the Accounts before you, the Net Profit for the year, after making transfers to reserves for contingencies amounting to HK\$17,283,671 which slightly exceeds the corresponding figure for the previous year. Including the balance of profit brought forward from last year, the total available for distribution amounts to HK\$23,902,895. Out of this total it is recommended that, as in previous years, a sum of HK\$3,000,000 be written off Bank Premises and after allowing for this amount, the Interim Dividend of £2 per share and the Final Dividend of £3 per share which is now proposed, there remains a balance

of HK\$8,075,332 to be carried forward to next year.

ALL-TIME RECORD

You will see from the Balance Sheet that there has again been a substantial increase in the figures and that the total now exceeds £294 millions, an increase of £38½ millions over last year's total and an all-time record in the history of the Bank.

The increase of £38½ millions is made up of a rise of £36 millions in Current and other Accounts and £2½ millions in Acceptances on behalf of customers. Current and other Accounts which now amount to almost £190 millions continue to reflect the steady expansion in our business which has been in evidence during the past years.

With regard to our assets, Cash has decreased by some £4½ millions, but you will notice there has been a substantial increase of over £32 millions in Money at Call resulting in a net increase in our liquid assets of approximately £28 millions. Bills Receivable now amount to nearly £51½ millions, the increase of £12½ millions being due partly to a rise in our holding of United States Government Treasury Bills in New York and partly to the past year. Reinforcement turned out to be a bigger burden than had been expected. The dollar gap yawned wider and deeper than anyone had foreseen and the crisis was clearly revealed in all its seriousness when Mr Churchill's new Government took office in November. Now Great Britain is preparing to face the grim task of closing the gap.

The Commonwealth and Colonial Empire must of course bear their share of the burden and help to pay the high price of peace. The Commonwealth Finance Ministers agreed in London last January to stand solidly by the sterling area, starting with drastic, realistic and far-reaching measures to stop the drain upon gold reserves, but ending with expansion and development of the great resources of that widespread area. The Chancellor of the Exchequer said that there was no sign of any of the countries of the Commonwealth wishing to leave the sterling area.

The final aim and the lasting solution of the problem is one which will make sterling freely convertible into all the main currencies of the world and will drive on to the position for which we all so greatly hope, when restrictions and controls can be cast to the wind. I myself am convinced

that the more we get rid of the barriers the more rapidly will trade get moving to meet the shortages of raw materials and consumer goods which still exist in so many parts of the world.

THE FAR EAST

But so far as the Far East is concerned and while the war continues in Korea, and even after peace comes (for I fear that in the foreseeable future the tension is unlikely to ease much in the West) currency difficulties will remain and we are unlikely to get back to those happy days of almost unrestricted freedom of trade. Even if political developments in the East get no worse, it is difficult to see how stability can be expected while there is inflationary spending and incompetence on the part of Governments and a sad lack of law and order in many areas.

Investments at £20 millions show a decrease of just over £6½ millions. This decrease arises mainly as a result of the redemption of certain of our short-dated securities but is also due to some extent to the fall in the market prices of our investments. In common with other financial institutions our holding of British Government securities suffered a severe decline in value during the closing months of the year. In order to provide for this depreciation a sum has been allocated from our reserves for contingencies, which is an illustration of the necessity to which I referred in my remarks last year of continuing to build up our internal reserves.

One of the most striking features of the post-war years has been the way in which through international agencies or otherwise, the countries blessed with a relatively high standard of living have made efforts to bring aid to the less developed territories throughout the world.

The United Nations, the United States and the British Commonwealth have been prominent in such activities.

COLOMBO PLAN

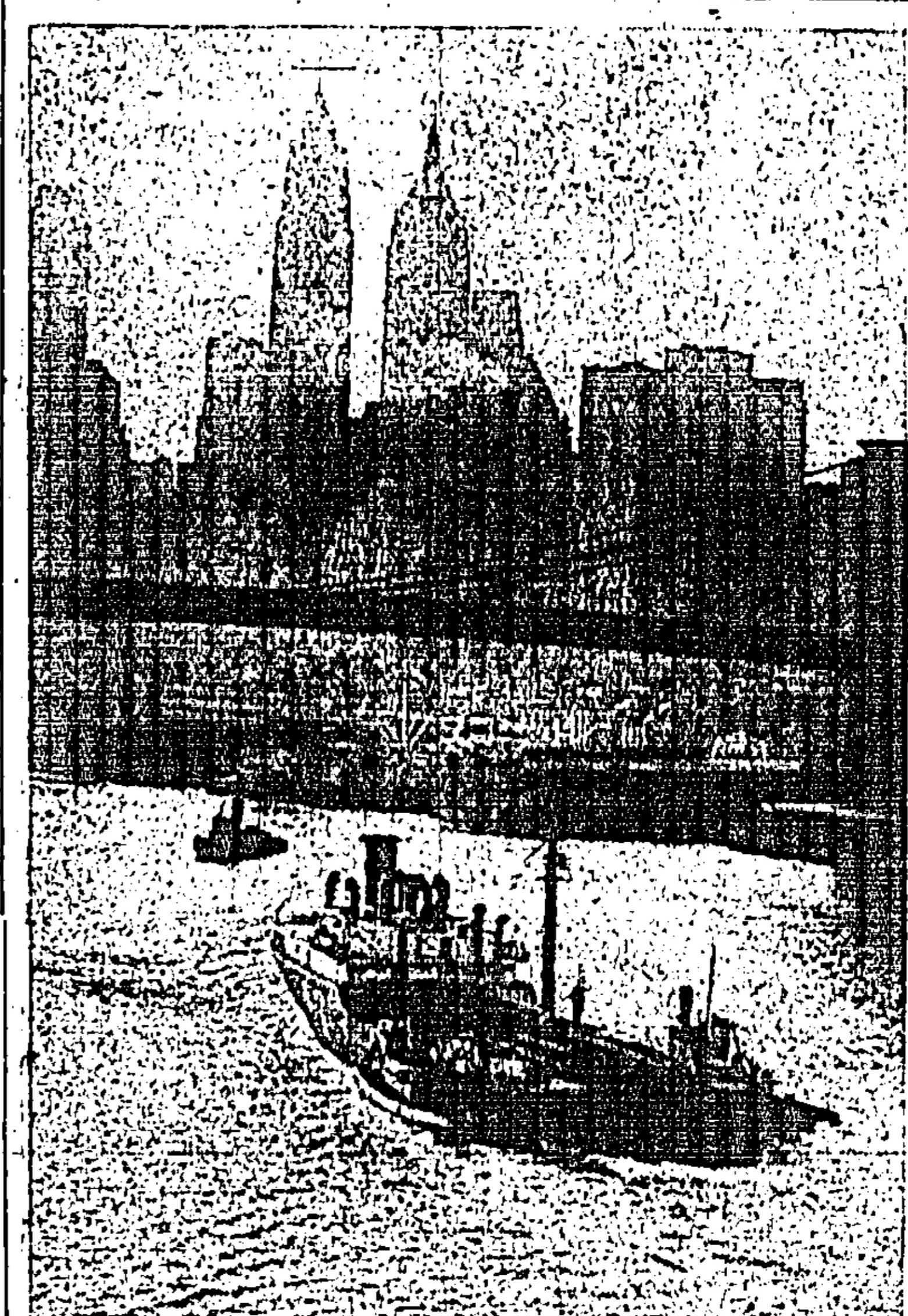
I made a reference in my last statement to the Colombo Plan which was initiated at the meeting in Colombo of the Foreign Ministers of the Commonwealth countries over two years ago. In July last the main plan of development was launched but in January 1951 a Council of Technical Cooperation had already been set up in Colombo as an integral part of the whole idea. Real progress has been made with this particular scheme which provides technical experts and technical training for Asian personnel needed to carry through the projects adopted by the several countries whose development plans have been set forth in the Colombo Plan report.

The original report which was published in November 1950 no longer accurately describes the scheme of things as now exists. The Commonwealth Consultative Committee has become an International Committee in which the United States are taking part, and included in the general scope of the "Plan" are the extensive measures undertaken by the United States Government in the same area, such as some of the "Point Four" projects, certain parts of ECA aid (now Mutual Security Administration) and various International Bank and Export-Import Bank loans wherever any of these touch the planned programmes of the participating countries.

"There are still some people in this country who are so blind that they will not see this. They try to tell us that we ought to confine ourselves to building up our own defences here at home so that we can retreat behind them if trouble comes. That is the way to be safe they say and save money at the same time."

"Well, they are wrong on both counts. They are not presenting a low-cost plan for national security. They are trying to sell a high-cost plan for national insecurity. And I do not think that the people of this country are going to buy it."

Only The Stern Left



With ten of the original crew aboard, the stern of the Fort Mercer, broken in half by raging gales last week, is towed by tugs down the East River towards Brooklyn Bridge, New York.—London Express.

Pinay Saved By 27 Gaullists

REBEL AGAINST DIRECTIVE

Paris, Mar. 6. Twenty-seven Gaullists pushed M. Antoine Pinay into power as the French "Save the Franc" Prime Minister tonight and gave France her biggest swing to the Right since the liberation in 1944.

The 60-year-old tanner owner had gone to the Assembly to seek investiture as Prime Minister with the Socialists and Gaullists planning to vote against him and the Gaullists intending to abstain.

These are the strongest parties but in a surprise development 27 Gaullists turned rebel and against Party directives voted for M. Pinay.

He thus won 324 votes, 11 more than the absolute 313 required for investiture in a House of 625 members.

Against him were 206.

SURPRISED

It was the first time that a Premier had been elected since the war without Socialist backing.

Even M. Pinay was surprised. He said afterwards, "I thought I would have 208 votes which would have been honourable and I expected to have a rest and then go fishing tomorrow."

M. Pinay proposed to the Assembly two proposals to save the franc:

1. An amnesty to tax dodgers provided they owned up.

2. Stringent tax control measures involving the withdrawal of business licences for future tax offenders.

On Indo-China and foreign policy generally M. Pinay said that he would carry on along the same lines as the outgoing government.—Reuter.

Truman Attacks His Critics In Broadcast

Washington, Mar. 6.

President Truman took his fight for a \$7,900 million foreign aid programme to the American people tonight in a nation-wide broadcast strongly attacking critics who want to cut foreign aid funds.

The appeal to the nation followed by 10 hours his message asking Congress to approve the full expenditure of \$7,900 million without cut.

During the year ending June, 1953, the programme would provide military equipment, raw materials and economic assistance to America's allies throughout the world.

In his radio speech the President emphasised that the programme was not designed to make the United States people "carry the world" on their shoulders.

He said, "It is a programme to make it possible for the world to stand on its own feet."

President Truman said that the action taken by Congress on his request might make the difference between life and death for many of his listeners.

BEST INSURANCE

President Truman said, "The best insurance we can take out against another world war is to stick together with our friends. Together we cannot be conquered. The Soviet Union cannot achieve its dream of world conquest unless it picks off the free nations one by one. The Soviet policy is the old one: divide and conquer. Our policy is an old one too: in unity there is strength."

"There are still some people in this country who are so blind that they will not see this. They try to tell us that we ought to confine ourselves to building up our own defences here at home so that we can retreat behind them if trouble comes. That is the way to be safe they say and save money at the same time."

"Well, they are wrong on both counts. They are not presenting a low-cost plan for national security. They are trying to sell a high-cost plan for national insecurity. And I do not think that the people of this country are going to buy it."

"I challenge anyone to tell me how this country is going to defend itself if we abandon our allies and hole up on this continent. It just cannot be done. And if we tried to do it we would

Money-Lending Probe

Singapore, Mar. 6.

The Singapore government is probing money-lending in the Colony following complaints that borrowers are being fleeced for as much as 200 per cent interest.

It plans amendments to the Moneylenders Ordinance, which allows an interest of only 48 per cent.

Borrowers complain that lenders, usually Sikhs, make them sign promissory notes for three times the sum borrowed to avoid being prosecuted for demanding "illegal" interest.—Associated Press.

Now Available Again!

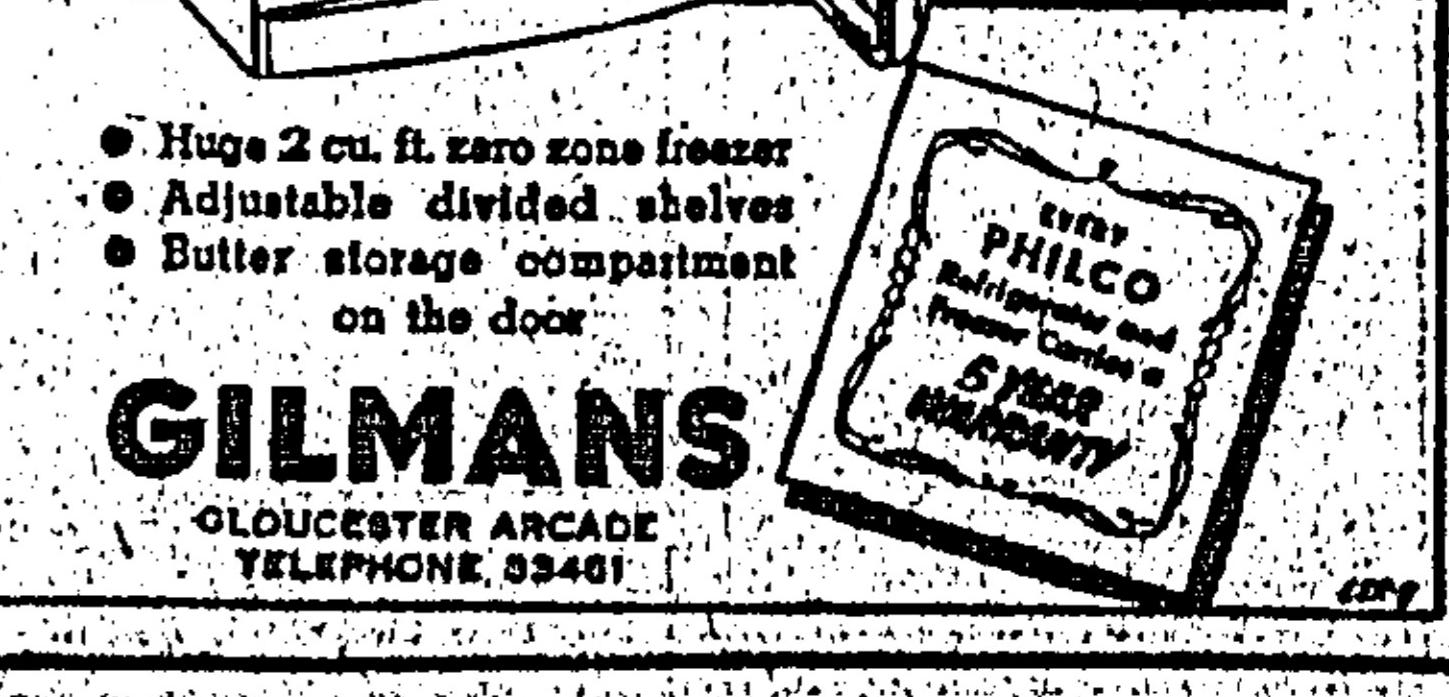
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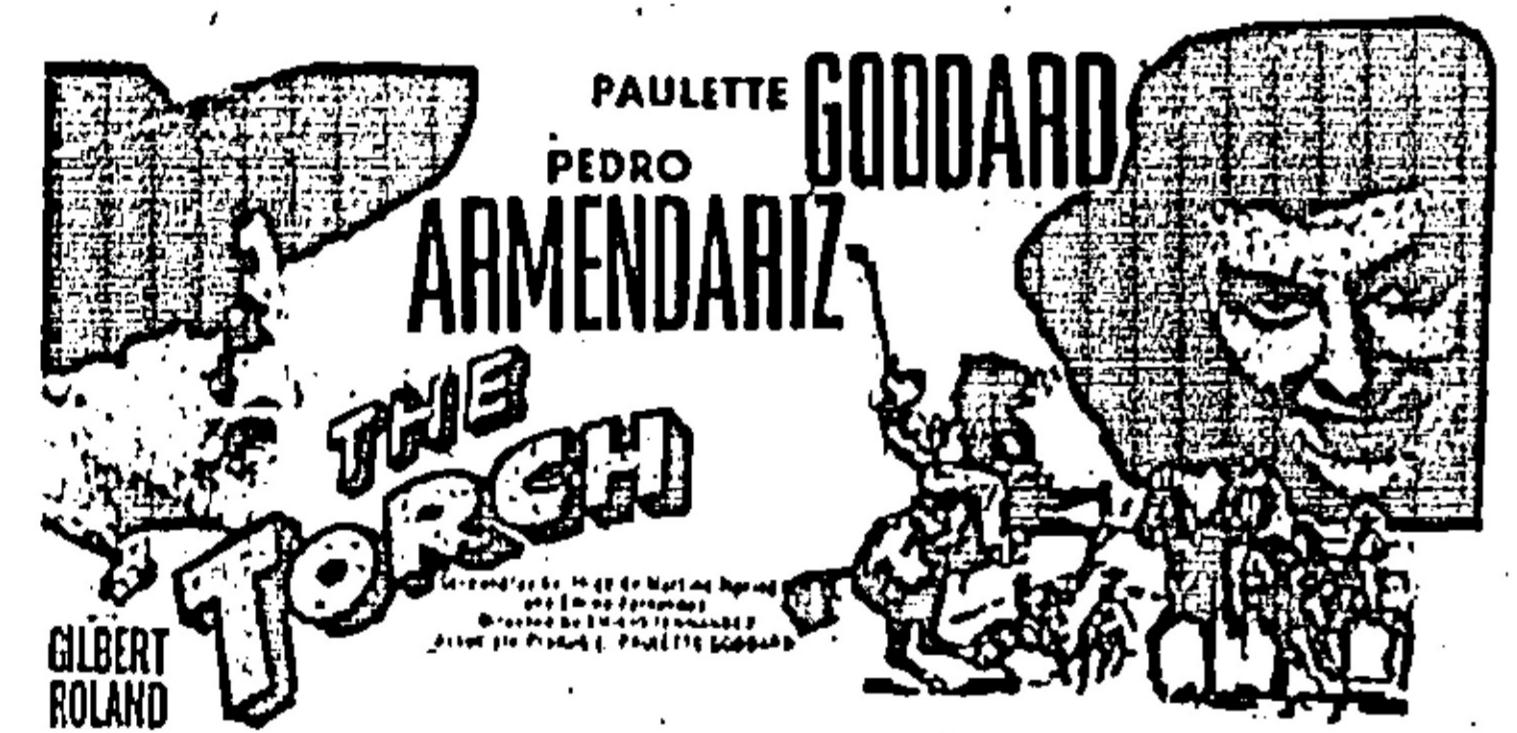
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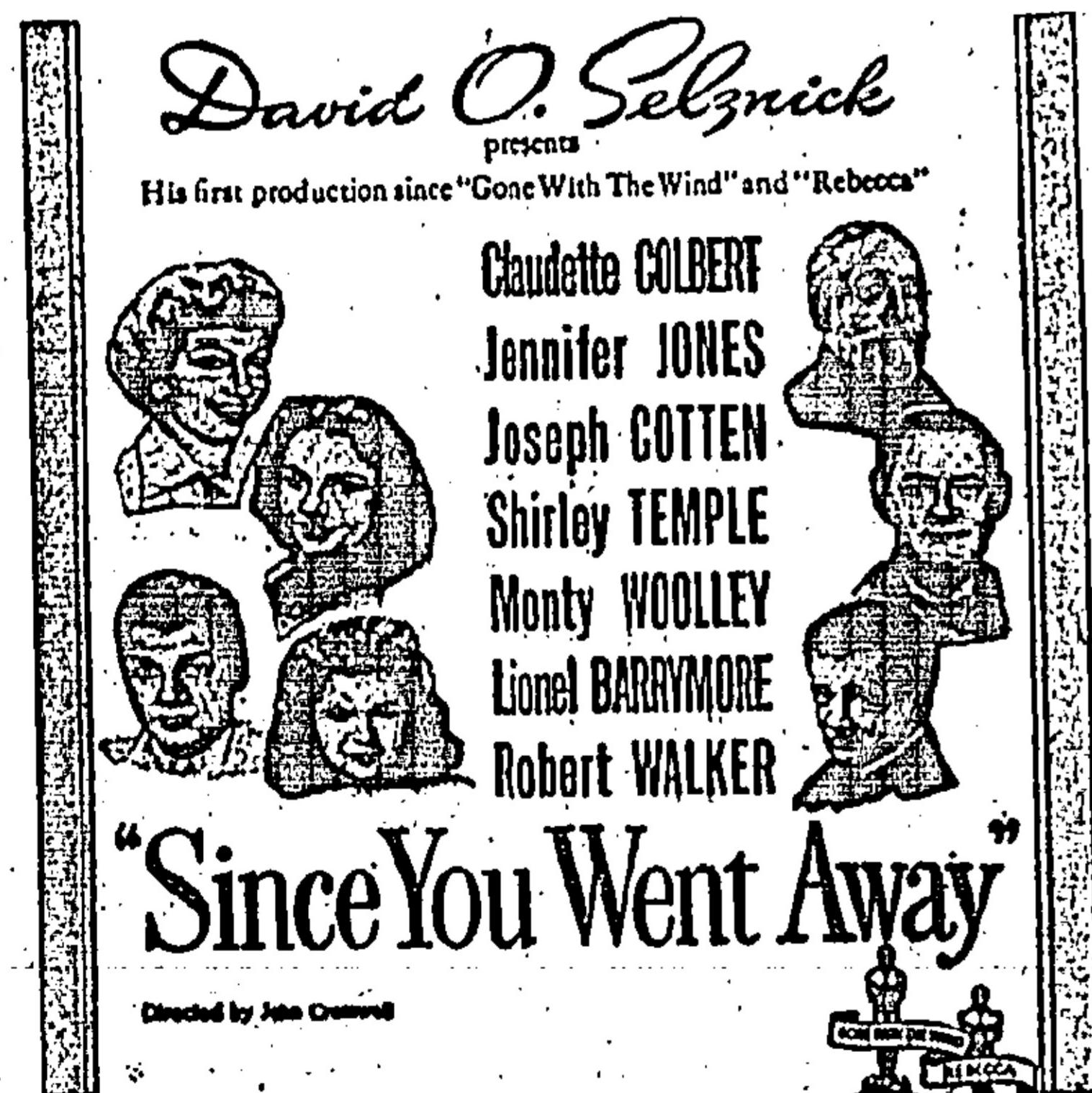
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COMMENCING TO-MORROW —
RAY MILLAND • GENE TIERNEY in
"CLOSE TO MY HEART"



British Bar On Reds

London, Mar. 6. — The International Women's Day Committee announced last night that four Russian women delegates to a conference here on Sunday had been refused visas to enter Britain. Eight other delegates—from Belgium, France, Italy, Germany, Canada, Australia and Czechoslovakia—have also been refused entry, the Committee said.—Reuters.

"OILBOAT OLGA" TESTIFIES

US Inquiry Into Shipping Deals

Washington, Mar. 6. — "Oilboat Olga," who identified herself as the third wife of Magnus Konow, wealthy Norwegian shipping executive, told a Senate tax investigating committee here yesterday that she had made more than \$500,000 in surplus shipping deals.

Czech-born Mrs Konow, who said that she was nicknamed "Oilboat Olga," sold surplus United States tankers to a company heavily financed by Nationalist Chinese.

She was testifying before a Senate Committee which is investigating the possibility of tax avoidance in the sale of surplus ships.

Mrs Konow said that she was the President of the American Viking Corporation owned by the China International Foundation—which helps to provide scholarships for Chinese students in the United States.

The Foundation's director is Mr Newbold Morris, a New York attorney who was recently appointed by President Truman to investigate corruption in the Government.

Mrs Konow testified that she had helped to arrange the complicated transaction where Chinese capital was used to finance the sale of United States Government-owned ships to United Tankers, in which group prominent Americans held shares.

She said she took part in the transaction purely for profit with little or no interest in the international complications.

A report received here from Oslo during Mrs Konow's testimony said that she was known as Olga Kagsta Rapaport before she married Mr Konow in 1943.—Reuters.

Famine In The Sudan

Khartoum, Mar. 6. — Famine is today threatening the three quarters of a million native population of the swampy South Eastern Province of Basis el Ghazal in the Sudan, according to official sources here.

Many of the hunger-stricken natives have already begun to trek northwards into the neighbouring provinces of Barfur and Kordofan in search of food.

Those left behind are facing four months of hunger before the next crops are ripened.

Crops of the population's staple diet, large millet, have failed completely throughout the Province.

Applications have been made to the Financial Secretary in Khartoum for relief funds.—Reuters.

Indian Protest To Pakistan

New Delhi, Mar. 6. — The Indian Government has lodged a strong protest with Pakistan against a special 20 per cent tax on the sale of Indian films in Western Pakistan.

The Indian Government considered Pakistan's decision discriminatory and a violation of the trade agreement between the two countries.—Associated Press.

He proposed to carry passengers, cargo and mail on the 92-mile run between the two island capitals, American Pago Pago and British Apia.—Associated Press.

Wins Pancake Race Second Time



CLAIRVOYANT SAYS:

No World War During 1952

Lisbon, Mar. 6. — Oil disputes will become a thing of the past before 1960, according to Madame Luce Vidi, a French clairvoyant, who claims to have foretold exactly the death of King George VI.

In an article published in a Portuguese woman's magazine here, Madame Vidi declared that the oil wells at present in production will be abandoned before they are dry in favour of new and natural energies which will "replace the black gold sooner than people think."

The article, mainly concerned with predictions for 1952, has been widely discussed and studied here since the death of King George VI, because it opened with a prophecy that Princess Elizabeth would become Queen in the first quarter of 1952.

Under a photograph of Princess Elizabeth as she then was, Madame Vidi asked the question: "Why is it that the figure of the gracious Princess, who has conquered Paris with her smile, features as the first person in this survey for 1952?"

Answering her own question, Madame Vidi wrote: "Because the heavy purple mantle of emerald will replace the elegant creations of the Paris dressmakers. The first quarter of 1952 will bring to her changes and responsibilities together with the sympathy of the whole world and the love of her people."

Taking a second look at Madame Vidi's other predictions for 1952, Portuguese readers sighed with relief when they read that there is unlikely to be a war this year.

Madame Vidi, they found, had said that the darkest clouds would appear in the East, which would be "brought to its foundations by profound changes in its political and social structure." RED DEFEATS

But the West would close its ranks and "prepare to defend peace at the cost of immense sacrifices of money and effort."

"World peace," she added, "would be strengthened by the entry of new countries into the United Nations Organisation."

Other predictions made by Madame Vidi are:

France: A great reconciliation of opposing forces will take place, giving General Charles de Gaulle a new chance to serve his country.

Britain: Britain will receive compensations for the setbacks she suffered in the international field in 1951.

Communist China will suffer military reverses in July and October and will remind Moscow of its earlier promises.

In May, Soviet Russia will take advantage of serious internal difficulties in Persia.

Persia will be threatened with disorders during the Summer which will recall events in Czechoslovakia in 1948, when the Communists seized power in February.

Spain: The Spring will bring to Spain and General Franco events of a very favourable nature which will be exploited with ingenuity.—Reuters.

Cavalry barracked



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a scar
of crime
across
the map
of America!

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"MA & PA KETTLE GO TO TOWN"

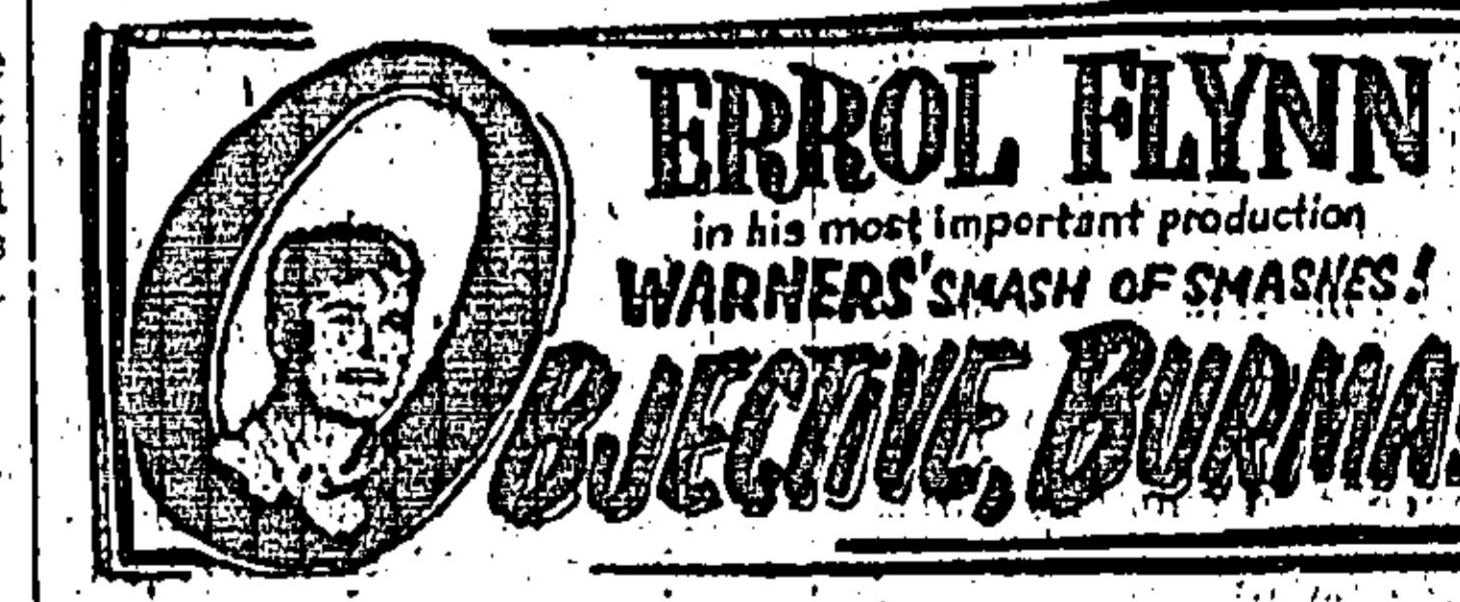
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Take Any Eastern Tram Car or Happy Valley Bus

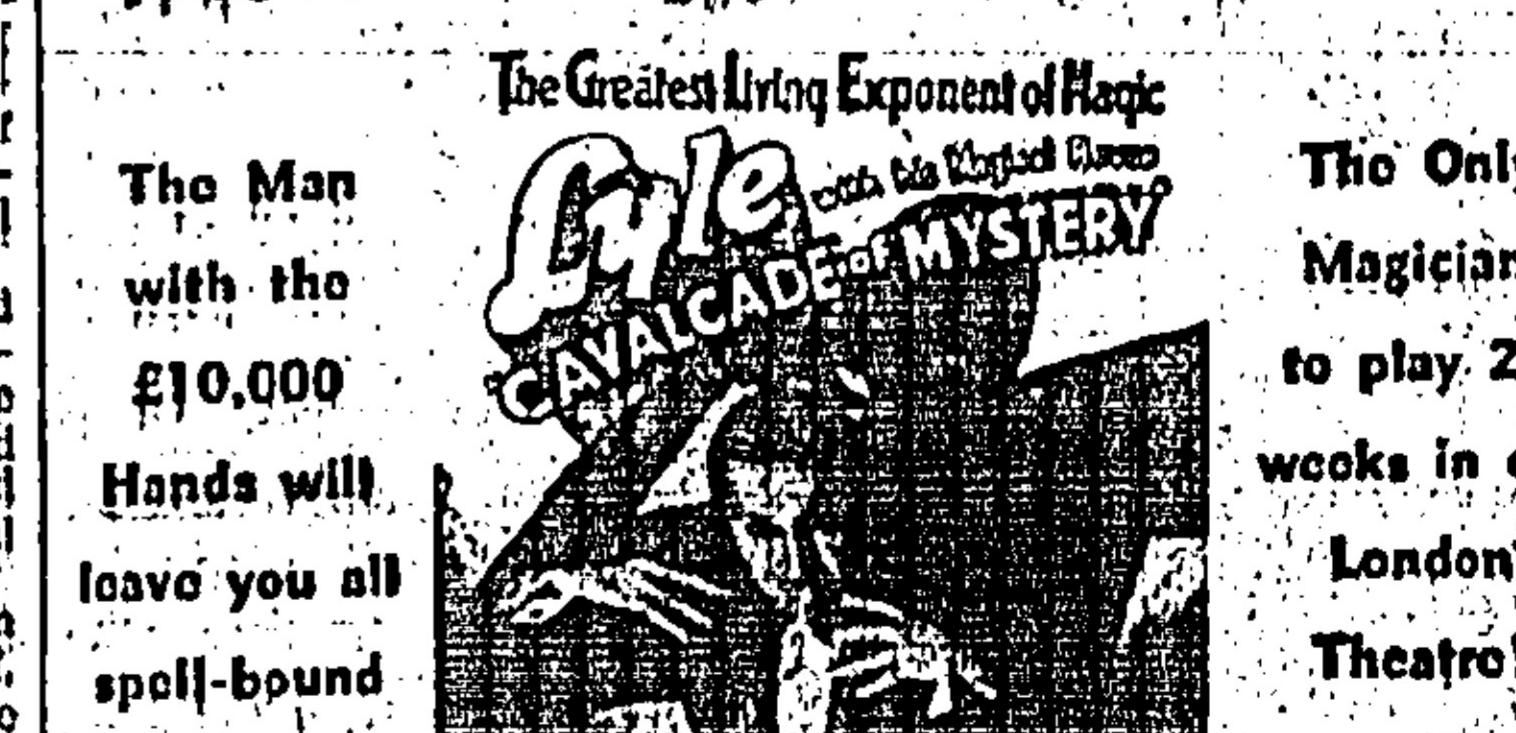
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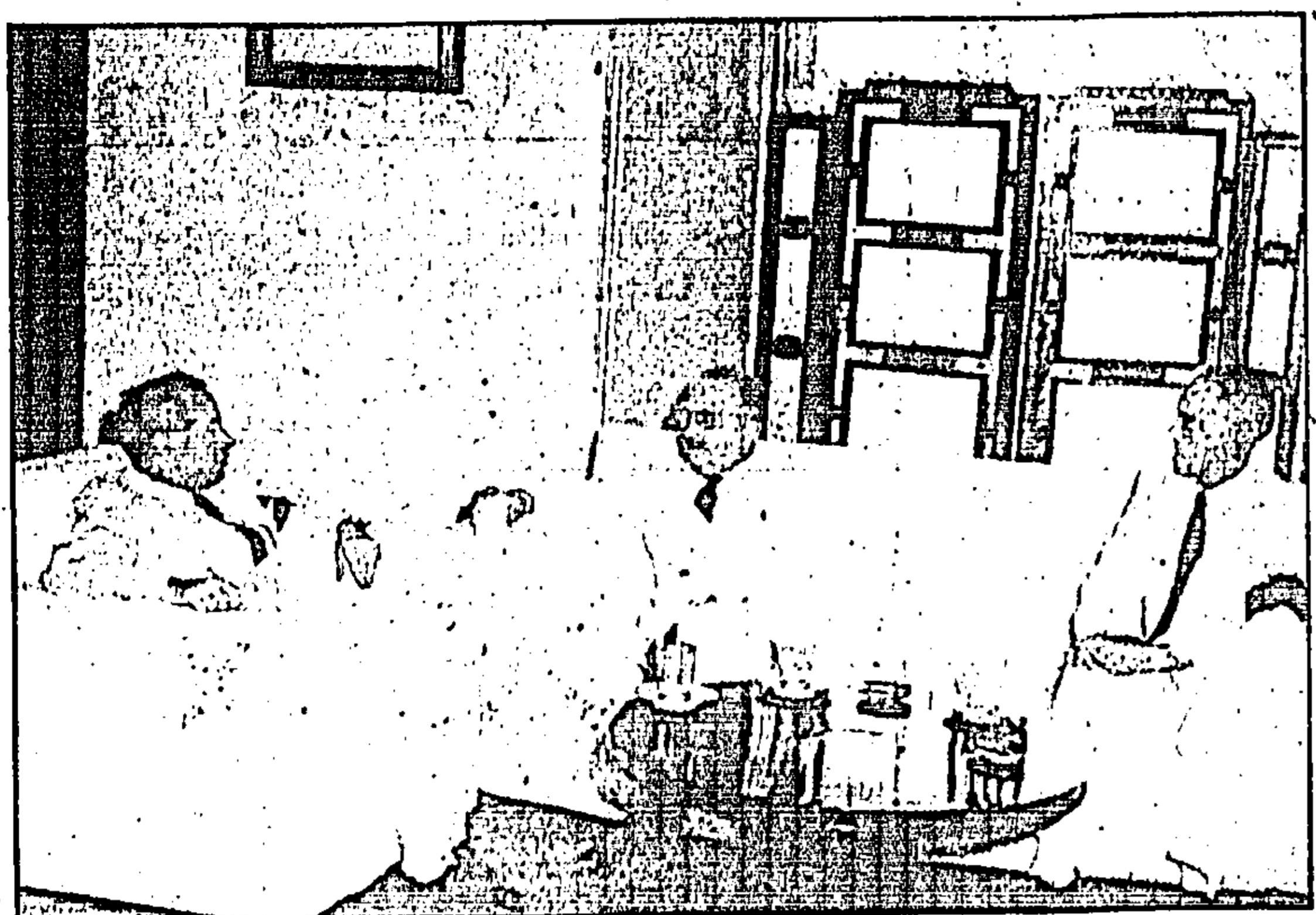
The Only
Magician
to play 20
weeks in one
London
Theatre!

Tokyo, Mar. 6. — Representatives of a 3,000-enrolment school for night watchmen visited a machinery company in Tokyo on Wednesday and asked the firm to cease making time-clocks for watchmen.

They contended that the instruments are "a violation of basic human rights."—Reuters.

CONFERENCE ON
SOUTH ASIA

Secret Services Called Useless Farce



Taken during recent talks on the situation in South Asia this picture shows (from left to right) Mr. Malcolm Macdonald, British Commissioner-General in Southeast Asia, M. Jean Letourneau, French Minister for the Associated States of Indo-China, and Mr. Hubert Graves, British Minister in Saigon.—France-Presse.

Girl's Murderer To Be Hanged

London, Mar. 6.
The execution of Tahir Ali, 39-year-old Pakistani scoundrel sentenced to death for murder, has been fixed to take place in Durham Gaol on Friday, March 21.
Tahir Ali was found guilty at Durham Assizes last month of murdering 25-year-old Evelyn McDonald.—France-Presse.

RUMANIA'S NEW PURGE

Bucharest, Mar. 6.
It was officially announced this morning that the President of the Rumanian State Bank, Aurel Vijoli, and the Assistant Finance Minister, Alexandru Jacob, have been dismissed for "grave deviations from the laws and Government's decisions" in the period preceding the January monetary reforms.

Another Assistant Finance Minister Vasile Medoran, has been relieved of his functions incapable.

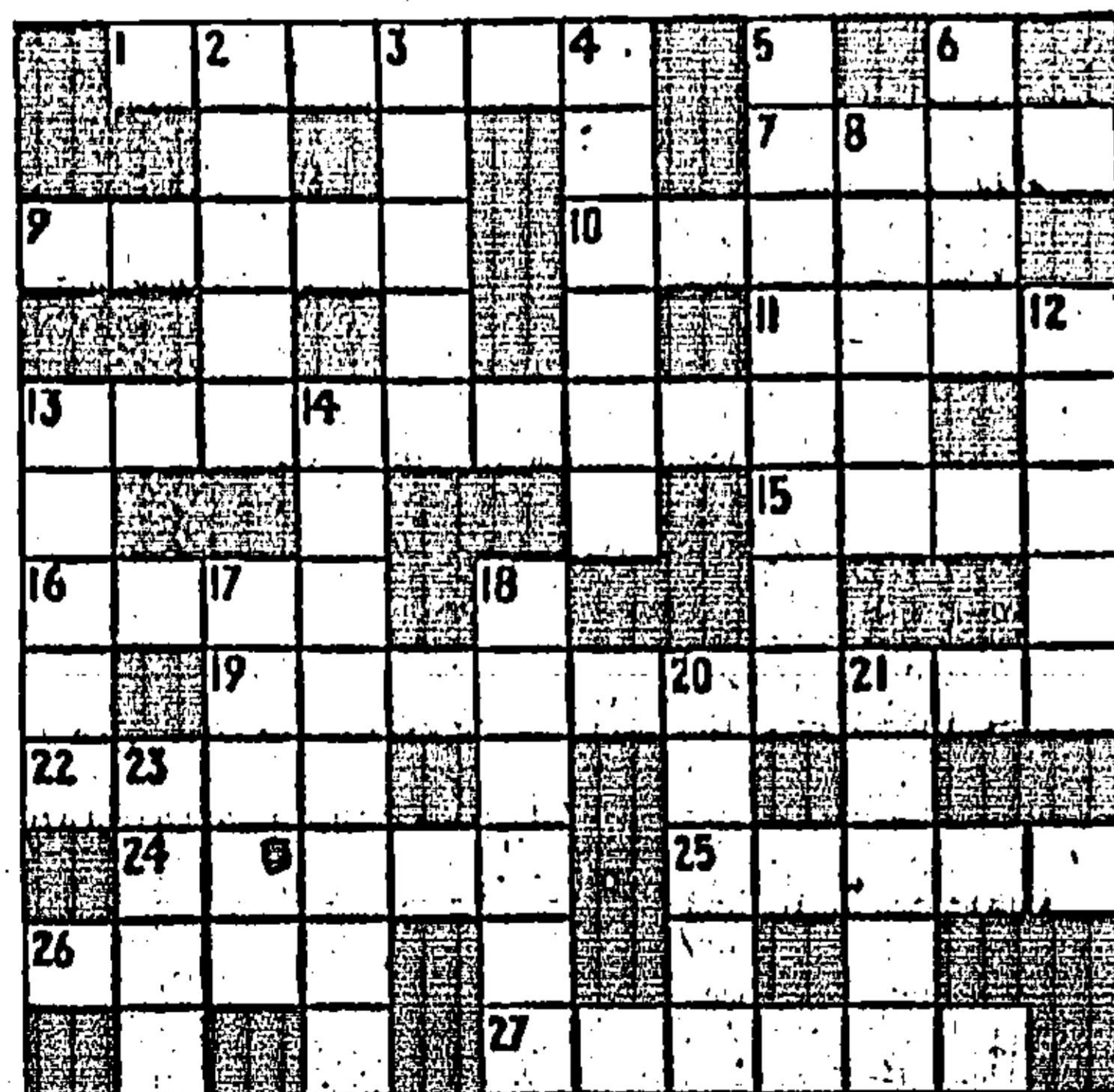
The announcement said that the deviations had damaged the interests of the State and the working people.

The new appointees are, respectively, Anton Molecau, Radu Manescu and Constantine Neagu.

Turns Down Job

The Hague, Mar. 6.
The Foreign Minister, Dr. Dirk Stikker, today confirmed to the United Press that he had turned down the NATO secretoryship but he declined to give the reason.—United Press.

A British Crossword Puzzle



ACROSS

- 1 Ban (4).
- 2 Bridle strap (4).
- 3 Speedy (4).
- 4 Charm (5).
- 5 Procurator (4).
- 6 Abridged (10).
- 7 Regular payment (4).
- 8 Deserve (4).
- 9 Comes between (10).
- 10 Viscous matter (4).
- 11 Small nubis (6).
- 12 Smooth (6).
- 13 Tax (4).
- 14 Tiny (6).
- 15 Drug (6).
- 16 Broadcaster (8).
- 17 Refrain from (6).
- 18 Kicks for future use (8).
- 19 Evil (4).
- 20 Maneuver to avoid (5).
- 21 Angler's basket (6).
- 22 Highest point (6).
- 23 Competition (8).
- 24 Smooth (6).
- 25 Monoservant (6).
- 26 Unusual (5).
- 27 Tiny place (4).

YESTERDAY'S CROSSWORD—Across: 1. Arable, 4. Cause, 7. Median, 8. Speed, 10. Neap, 12. Migrat., 15. Token, 16. Island, 17. Scurr., 19. Asym., 20. Harpoon, 21. Tint, 23. Stoal, 24. Caruso, 25. Fresh, 26. Nodules, Down: 1. Admonish, 2. Animates, 3. Lien, 5. Approach, 6. Shear, 9. Singe, 11. Posture, 14. Attitude, 15. Enormous, 18. Fester, 22. Dope.

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Some things must be done—



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Comprehensive Review Of Far East Situation At Today's Bank Meeting

(Continued from Page 1)

aspect of planning policy should have turned towards agriculture and food, seeing that more than half of the population of the world get barely half of the calories they need. Thus the Colombo Plan has become an aggregation of various aid projects for the whole of South and South-East Asia. The launching of the original scheme served a valuable purpose in calling attention to the urgent needs of the underdeveloped countries in the area, which, if neglected, would inevitably result in political and revolutionary discontent or revolts against the established authorities. I have referred in some detail to this matter because the plans and projects now being pressed forward are especially important both economically and politically to the areas where our Bank operates. Moreover, in England last year at the first meeting held to welcome the representatives of British Overseas Legislatures I noticed that much stress was laid on the Colombo Plan by the Secretary of State for the Colonies in his opening speech on that occasion.

HONGKONG

I feel sure that I speak for all who have at heart the welfare of Hongkong when I say that it was with great pleasure that we heard that the term of office of His Excellency, The Governor, Sir Alexander Grantham, had been extended until July 1954. Sir Alexander is not only popular in all circles but he is also honoured and respected for the wise and understanding way in which he administers the affairs of this Colony. We are indeed fortunate that he is to stay with us. But we suffered a blow last December when we heard that our extremely able Colonial Secretary, Mr J. F. Nicoll, was to leave Hongkong on his promotion to the important post of Governor of Singapore. Hongkong's loss is Singapore's gain. I have no doubt at all that Mr Nicoll will very quickly gain the confidence of all sections of the community in his new and onerous appointment as he did so quickly here in Hongkong.

Mr Oliver Lyttelton's visit last December was very welcome to all of us and to the whole Colony, especially as I believe it was the first visit paid to Hongkong by a Secretary of State for the Colonies. It is good to know that the Colonial Office is now in charge of an official with recent personal knowledge of conditions in Hongkong. We can feel that our problems are in safe hands.

I would like however to add that on recent occasions in London when I had conversations with Mr Griffiths, the former Colonial Secretary, I was much impressed with his keen grasp and wide knowledge of the problems of the Colony. Mr Luttrell took the opportunity of his visit to make a particularly welcome declaration which I will put in place on record. He said: "His Majesty's Government are resolved to maintain their position in Hongkong and will discharge to the utmost of their ability their responsibilities towards the Colony as regards its population."

ENDORSES POLICY

Every year at this time prior to the introduction of the Appropriations Bill, the Governor makes a speech outlining some of the major developments in the Colony. Invariably a great deal of interesting and important information is provided to the public. Again this year, on March 5, His Excellency's speech was packed with information about Hongkong which should obtain the widest possible circulation. The Governor has always urged that we should press on as much as circumstances permit with those things which we know Hongkong needs: hospitals, schools, reservoirs, roads, the City Hall and, perhaps most important of all, housing for the less privileged members of the community. I fully endorse this policy of advancement.

The Budget of the Colony was presented to the Legislative Council on the same day in a very lucid way by our new Financial Secretary, Mr A. G. Clarke. Naturally there has not yet been time to make a careful study of his figures and I will merely say that it is satisfactory that revenue has remained buoyant throughout the past year and that we have an increased revenue balance against future contingencies.

However, the long list of important public works which are on the financial programme makes us realize that we cannot be complacent about the financial position of the Colony. Many of these works are urgent: if we want to see Hongkong develop on the right lines. It is quite obvious that it would be out of the question to attempt to do a lot at the present time, so we must face the fact that payment for these works must

come out of revenue. But as these works get under way their annual cost will grow.

I am not in favour of drawing

on our general revenue balance as it may well be needed in the future. The implication is that if revenue falls off we may face additional taxation to meet these important charges on revenue.

TRADE FIGURES

This time last year we hardly expected that the immense trade figures for 1950 could be excelled by those for 1951. You will remember that the 1950 figures for exports were no less than 80% higher than those for 1949, while imports were 85% higher. Yet in fact the 1951 figures show exports up a further 10% and imports nearly 20%. The peak was reached, however, by the end of March, the record month, when imports and exports together totalled HK\$1,081 millions for the one month, or about the same as for the whole of a normal pre-war year such as 1938. By December 1951 the month's figures were down to HK\$737 millions though here we leave some reaction from the low spot of the year which was HK\$591 millions in September, but even this was well above the monthly averages in 1947, 1948 and 1949 and not far short of the monthly average in 1950.

The effect of the embargo on exports to China imposed at the instance of the United Nations which comprehensively covered "items useful in the production of arms, ammunition and implements of war" and which came into force in June, can be seen in the fact that Hongkong's exports to China (excluding Formosa) were valued about HK\$1,151 millions from January to the end of June but from July to the end of the year they amounted to only HK\$452 millions. Imports from China in the two half years showed little change being HK\$455 millions in the first half and HK\$408 millions in the second half of the year.

BALANCE TURNS

Towards the end of the year the balance of trade with China turned in favour of imports: thus exports to China were down to HK\$107 millions in the last two months of the year as against HK\$173 millions of imports from China. It is possible that China will before long start buying non-embargoed goods again in the Hongkong market on a more extensive scale than recently, but there is no doubt that she is concentrating a lot of attention on trade with Russia and East European countries. Meantime there is a large accumulation of goods in Hongkong warehouses but nothing like the amount we experienced two years ago which very suddenly dissipated.

The commercial cargo tonnage discharged and loaded has naturally fallen off when compared with 1950 but the figures are still only slightly below those for 1948. It is clear that a moderate recession goes underway in the latter part of the year. However, in our experience of trade in the Far East the word "normal" has rarely found a place and we can only meet the future as it arrives. Banking operations have continued at a high level. The Clearing House figures tell off a little at the end of the year but they were still well above the average monthly figures for 1950 and the total for the year 1951 was equivalent to more than £1,100 million which compared with £900 millions in 1950.

HK INDUSTRIES

I will now turn to Malaya, a very important territory for the Federation. Early in 1951 the communist rebellion—the so-called "Emergency"—was satisfactorily held in check and indeed for some months considerable success was obtained as a result of the vigorous operations undertaken by the police and military combined. The resettlement of squatters also proceeded smoothly. These intensified efforts appear to have driven the enemy into a desperate recrudescence of bandit activities which, in spite of many losses, brought them not a few successes. The police, military and civilians as a consequence had serious casualties. The culminating point was the disaster suffered in the murder of the High Commissioner, Sir Henry Gurney, on October 8th. Sir Henry's untimely death was a serious blow to all communities in Malaya as the many remarkable tributes to his great qualities have shown. We wish General Sir Gerald Templer every success in the important tasks ahead of him.

Mr Oliver Lyttelton's visit helped to clear the way but the support of all communities will be needed to obtain relaxation of the more onerous of the American restrictions which do not do any harm to China and in some cases have caused unemployment in Hongkong through the closure of factories. In others they have put up the costs of local industries which have had to buy their raw materials, especially cotton, in a more expensive market. As a result Hongkong goods find it difficult to compete with Japanese goods made from American materials. These difficulties will, we hope, be solved if a settlement is reached in Korea: they are just another instance of the pernicious injustices brought about by controls, restrictions and embargoes, however justifiable they may seem to be.

Further significance is added to what I have just said if you will note that Hongkong's imports from Japan have increased rapidly from HK\$220 millions in 1950 to HK\$392 millions in 1951. Exports to Japan only increased from HK\$120 millions to HK\$102 millions. Japan has expanded her trade in the past year with all the countries in the East, as is well known, a matter to which I shall refer

again later on. Imports from and exports to the United States fell off considerably last year as it was to be expected but imports from Germany increased from HK\$37 million to HK\$214 million in the year and the latter has in fact expanded her trade throughout the East in a way only second to Japan.

I cannot conclude this section

of my speech relating to Hongkong without saying how much we appreciate having the British Armed Forces stationed in the Colony. Not only are we glad to have them here for defensive purposes but also we welcome them because of the part they take in the life of the Colony. We must continue to assist in providing amenities wherever they are needed.

CHINA

Trading arrangements with China, both imports and exports, are now very largely in the hands of Chinese Government Departments or their agents and it has been estimated that 70 to 75% of China's foreign trade is with the Soviet Union and East European countries. Banking is also becoming more and more under Government control, not so much in the Western sense but rather following the Russian pattern.

Two years ago I said that we did not propose to withdraw our Office from China as long as there was some likelihood of them being able to do business. Now it seems that there is little room for foreign banks to operate in China. In fact we took steps to withdraw our Offices from Tsingtao and Swatow in January 1951. In September Tsingtao was effectively closed but although we have now liquidated our Office in Swatow, our Agent has been unable to get a formal clearance from the local authorities and he is still there. In September we took steps to close our Tientsin and Peking Offices and we are doing no business at these places while liquidation is proceeding. In Shanghai we now only have four members of the Foreign Staff and business as far as we are concerned, is at a standstill.

Apart from saying this I do not propose to attempt to penetrate the curtain which hangs over China—whether it is a bamboo or an iron one. We

like others, have a number of problems awaiting solution with the Chinese Authorities, and it would not help matters to refer to them. I will however say this. What is at stake in all this turmoil and confusion is something that goes far deeper than party dogma or political theories; it depends upon the honour, good faith and fundamental character of the Chinese people.

MALAYA

I will now turn to Malaya, a very important territory for the Federation. Early in 1951 the communist rebellion—the so-called "Emergency"—was satisfactorily held in check and indeed for some months considerable success was obtained as a result of the vigorous operations undertaken by the police and military combined. The resettlement of squatters also proceeded smoothly. These intensified efforts appear to have driven the enemy into a desperate recrudescence of bandit activities which, in spite of many losses, brought them not a few successes. The police, military and civilians as a consequence had serious casualties. The culminating point was the disaster suffered in the murder of the High Commissioner, Sir Henry Gurney, on October 8th. Sir Henry's untimely death was a serious blow to all communities in Malaya as the many remarkable tributes to his great qualities have shown. We wish General Sir Gerald Templer every success in the important tasks ahead of him.

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the peninsula is swept clear of militant communism and united in loyalty to a country which will, we hope, take its place in due course as a sturdy self-governing unit of the British Commonwealth of Nations.

There is a great deal that could be said about Malayan commercial and economic developments in the past year but it would lengthen this survey if I went into too much detail.

The danger of inflation in Malaya seemed particularly serious early in the year 1951 when rubber and tin prices were at their peak but by the end of the year the situation was less menacing. In 1950 the bank note circulation increased over 50% but last year it rose from M\$633 millions to M\$704 millions, some 20%. At the same time total bank deposits were up 21% to M\$1,263 millions while the monthly clearing dropped slightly in the latter part of the year. The cost of living indices for 1950 rose 10% to 20% according to the grades concerned and in 1951 there were further rises up to 11%. It is clear that inflationary possibilities need watching.

The financial statement for 1951 of both the Federation and the Singapore Governments show satisfactory revenue surpluses for the year of about M\$110 millions and M\$41 millions respectively thanks to the swollen receipts from rubber and tin duties and in spite of record expenditures.

THE 1951 TRADE FIGURES

The trade figures were once more a record being no less than 50% higher in value than those for 1950. Exports exceeded imports by about Malaya \$1,270 millions. It has been estimated that Malaya's United States Dollar net earnings for the year were about \$10 million in spite of the fact that the United States Government dropped out of the Singapore tin market in March 1951.

HIGH RUBBER PRICES

The trade figures were enhanced by the exceptionally high prices of rubber and tin in the early part of the year but later the fall in prices brought the monthly figures down well below the comparative months in 1950. Imports however were maintained. It is noteworthy that shipments from Japan rose from M\$93 millions in 1950 to M\$245 millions in 1951 and from Germany rose, from about M\$22 millions to M\$70 millions. The fact that imports from the United States Dollar area increased considerably to M\$270 millions must be recorded with some surprise. Tin exports were slightly under 65,000 tons as compared with nearly 82,000 tons in 1950, but production of tin has been maintained at roughly the same level as the previous year, in spite of the great difficulties facing tin miners under the hazardous conditions in Malaya.

There is reason to hope that the arrangement made by Mr Winston Churchill with the United States Government in January providing the latter with 20,000 tons of tin by the end of 1952 will at any rate bring to an end the boycott of Malayan tin. Those concerned with the tin industry are seriously worried at the almost insuperable difficulty of prospecting for new tin-bearing areas under present conditions in the interior.

RUBBER EXPORTS

Exports of rubber from Malaya, including re-exports, were maintained at the high level of about 1,150,000 tons of which exports to the United States of America were a little over 300,000 tons. Incidentally the value of rubber exports came to roughly 70% of Malaya's total exports. Over 40% of the national income of the Federation is believed to be derived from the rubber industry and around 30% of the labour population is engaged in this activity. The importance of rubber is therefore obvious and no stone should be left unturned in order to ensure that the industry is maintained in a healthy and prosperous condition. The fall in Malayan rubber production in 1951 by about 90,000 tons was due to a number of causes such as labour shortages, the disturbed conditions around and on the estates and so on. Meanwhile Indonesian production increased by roughly the same amount. It remains to be seen what effect the new exchange regulations issued in Djakarta last month will have on Singapore's entrepot trade and United States Dollar earnings.

REPLANTING PROBLEM

One of the most serious problems now facing the Federation Government is that of taking steps to ensure that replanting is started on the one million acres of small holdings which contain trees over 30 years old. It is also very important for the future that some agreement with the United States Government should be reached to bring about the relaxation of the policy of enacting artificial controls and limitations on the use of natural rubber and of subsidizing synthetic rubber. Suddenly this in prices such as have occurred recently are not only financial to the industry but are an additional cause of anxiety to the local authorities.

Malaya's prosperity depends on rubber and the communists are doing everything they can to interfere with plantations and mines. If these industries are depressed by policies adopted by the largest consuming country it will in effect be playing into the hands of the communists and seriously endangering the political and social stability of this particular area which is undoubtedly the most vital spot in South East Asia.

It is satisfactory that rice production is steadily increasing year by year. The 1950-51 season gave a record crop of over 42,000 tons but a similar quantity will still be imported and Malaya will remain in an unhappy situation at the mercy of the big producers until she becomes self-supporting as no doubt she will before very long.

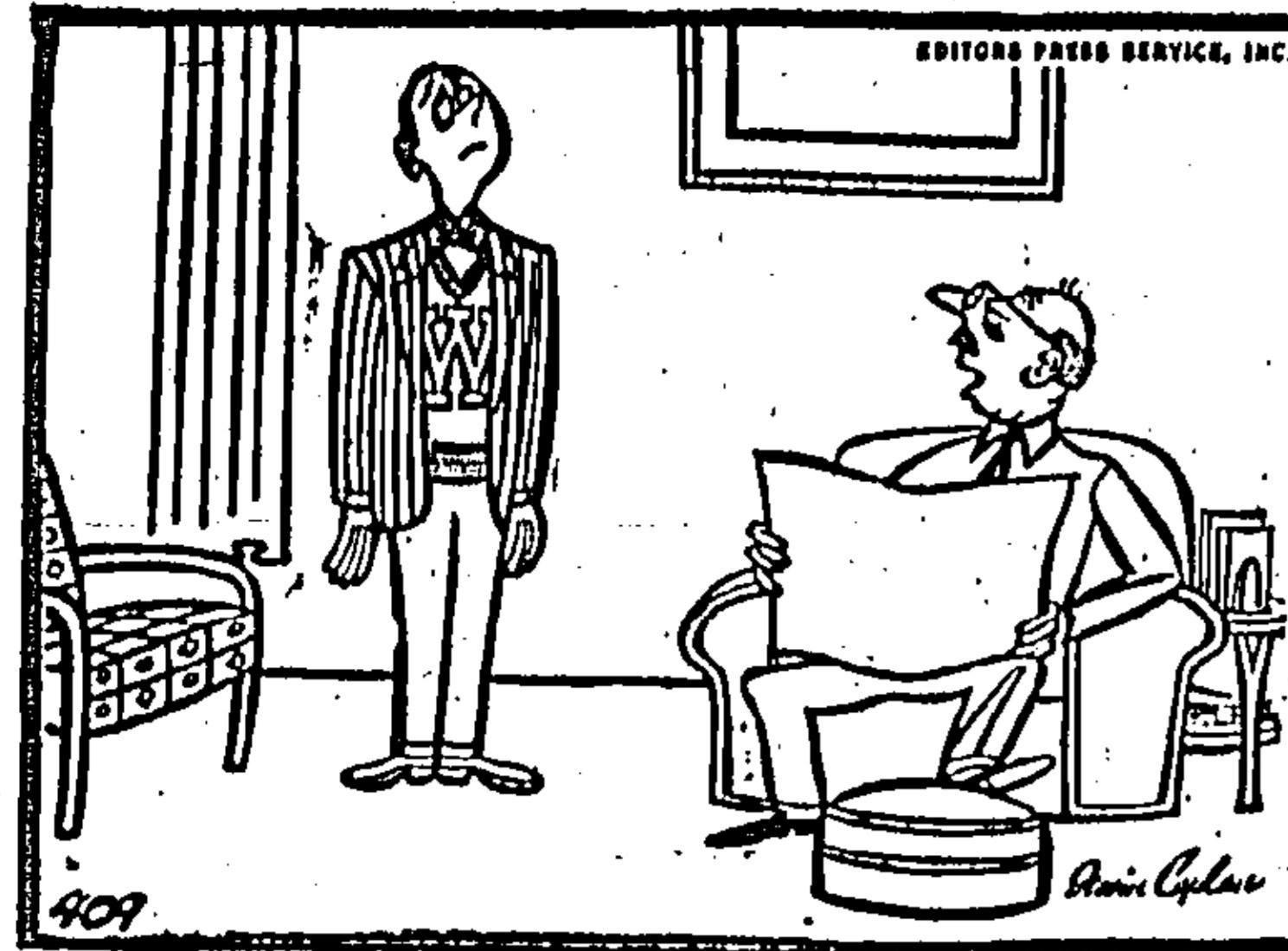
Perhaps inevitable developments in the towns where our Offices are established in Borneo seem to escape unfavourably. Nearly seven years after the re-occupation of the territory the public utility services in these towns are still either non-existent or ineffective and inefficient. Much planning has been done and the groundwork has been laid for progress which will no doubt get under way when steps are taken to import the necessary labour.

Nevertheless the natural wealth of the country has come to its rescue. For the second year in succession exports exceed imports by the equivalent of about 25 millions. Rubber accounted for 70% of the value of exports and copra for another 14% while timber accounted for a considerable part of the balance. Other agricultural products are being encouraged as is indeed very necessary. The Governor has indicated his keen desire for more rapid progress in the development of the country and this augurs well for the coming years. After much delay we have recently obtained a suitable site for a proper bank building in Jesselton. The plans have been prepared and work will start shortly. Although the Returns are not spectacular I am satisfied with the steady progress our Offices are making in Borneo.

INDIA

The year 1951 provided India with a number of difficult problems but in spite of periods of despondency she surrounded them surprisingly well, partly as a result of fortuitous circumstances and partly through her own foresight. The tragic death of Mr Ali Khan resulted in a lessening of political tension between India and Pakistan and caused at any rate a temporary improvement in the Kashmiri political situation. Furthermore the fixing of the Rupee rate and the Trade Agreement between the two countries eased up trade difficulties and in particular helped the movement of raw jute and coal.

Prices rose rapidly in the early part of the year but serious inflationary possibilities were forestalled by Government action coupled with a reduction in prices. The food situation was at one time



"What's the difference if you take the car, or if I take you and Dolores there and pick up you when the dance is over?"

• BY • THE • WAY • by Beachcomber

THEY say that an American got the wine-list and the menu mixed up in a London restaurant the other day.

He said: "I'll have a Côte Rotie, but not too underdone. What would go with it?" "I should try," said the waiter, "a bottle of Fleet Mignon." "O.K.," said the American, "with plenty of fee."

Sníbbo hits out

STUNG to activity by a report drawn up by business men, in which the lack of business education at our universities is deplored, Sníbbo has offered to endow a Chair of Management at Oxford. Director of an International Institute Latin or Greek which enables our executives to think up new dodges for overcoming sales-resistance, and if you tell me to get married to India, I will not help you. Does a knowledge of Chaucer or Milton really aid a man to write advertisement copy? Is the attitude to life of Euclid relevant to modern business?

problem? Has Homer a message for the men who are putting over the new ideas to make this country anti-social-conscious?

Short story

The disappearance of the thirty-second scientist in two weeks from the Atomic Experimental Station at Gorlehurst seemed to indicate that something was wrong.

Rapid checks of the personnel revealed that all the remainder were safe. But a Government statement assured us that none of the missing men had access to important information. It was only then we learned that some of the others were left that an inquiry was demanded.

The last five at once packed their bags, taking care to include any papers they might need for their colleagues. Only one night-watchman remained to collect the last of the documents. After two days he too, departed, and was last seen embarking on a liner. Asked where he was going he replied jestingly, "Russia."

YOUR BIRTHDAY... By STELLA

FRIDAY, MARCH 7

BORN today, it would be well for a young person to self-reliance and a will of your own. If you are to achieve your fullest ambitions, you are inclined to be a little over cautious, but sometimes you wait too long before saying "yes" or "no". You have high ambitions but are apt to waste your energies in overreaching, especially in early youth. As you grow more experienced you will develop more will power. But don't wait until it has passed you by.

The stars have given you real talents—in music or creative writing—and you have what is called "inpiration" which is to cultivate the "inspiration of concentrated effort". It enables you to hold your dreams come true. There is a certain physical indifference that makes a certain physical indifference that makes

SATURDAY, MARCH 8

PISCES (Feb. 20-Mar. 20)—Be careful if asked to loan someone some money. Be sure there is ample security for it.

ARIES (Mar. 21-Apr. 20)—Putting off a job you don't want to do is like putting off a date. Roll up your sleeves and finish it.

TAURUS (Apr. 21-May. 21)—If older people should ask for your help today, be generous in giving it without hesitation.

GEMINI (May. 22-June 21)—If family problems appear perplexing, now is a fine time to hold a conference.

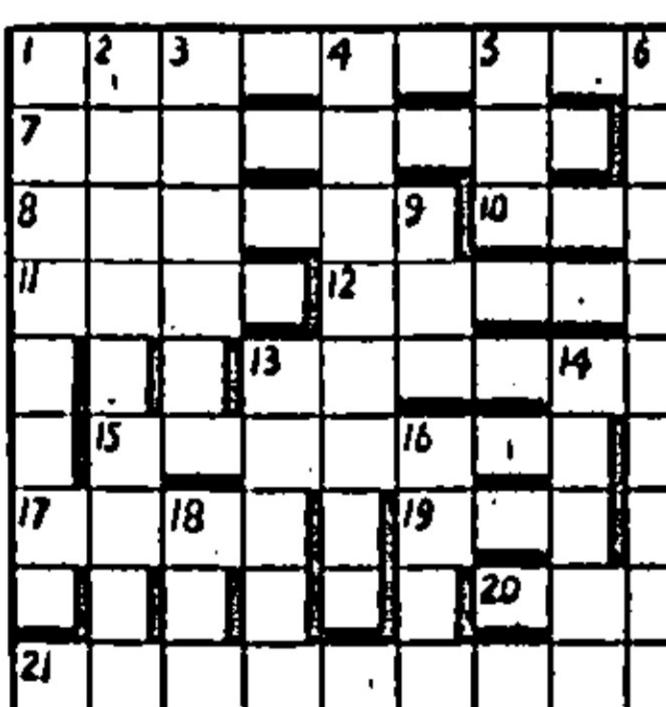
CANCER (June 22-July 23)—Concentrate on some important objective; push all efforts toward it.

LEO (July 24-Aug. 24)—This may be your day to repay someone for a favour you received some time ago.

VIRGO (Aug. 25-Sept. 23)—A fine time to hold family conference and make important decisions for the future.

LIBRA (Sept. 24-Oct. 23)—The cultural pursuits are particularly favoured. A lecture or a concert may prove inspiring.

CROSSWORD

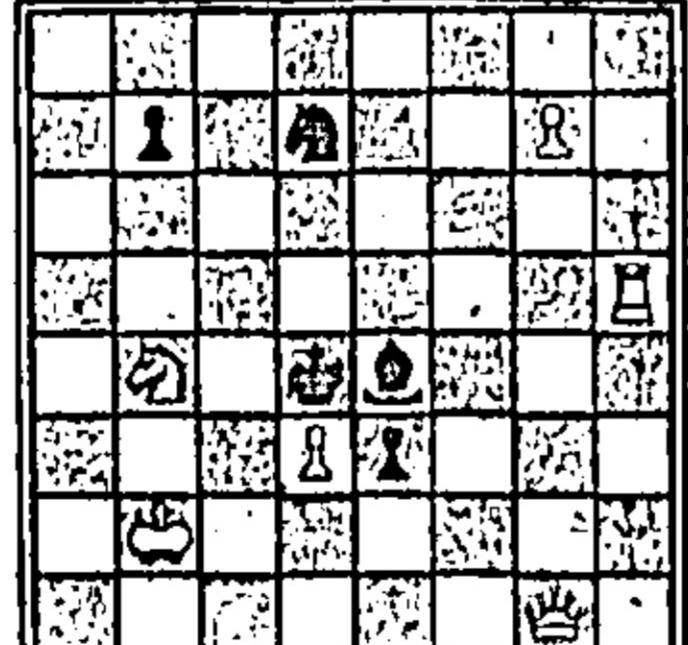


Across

- 1. And-a Down. No notice of departure is apparent. (4, 7, 6)
- 2. The vase is produced by studios. (8)
- 3. Small measure. (3)
- 4. Old Ireland. (4)
- 5. The M.O. upsets the appeal for a return. (6)
- 6. A car may produce a continent. (6)
- 7. Fitted to be hung to a tyre. (7)
- 8. Animal home. (3)
- 9. Frowned, not Fred. (3)
- 10. Alpine round fruit. (3)
- 11. Produce the tea range. (8)
- 12. You seldom play on this. (9)
- 13. Without difficulty. (6)
- 14. Hapless, but bad, marksmanship? (6)
- 15. The year is 1800. (6)
- 16. Mistake in herring fishing. (8)
- 17. Popular expression. (6)
- 18. The man who ate 20 Acrons. (10)
- 19. Was once a ruler. (4)
- 20. Playing round fruit. (3)
- 21. Down.
- 22. White, 6 pieces.
- 23. Solution to yesterday's problem: 1. Kt-Q8, any; 2. Q, R, B, or Kt mates.

CHESS PROBLEM

By R. APPENZELLER
Black; 6 pieces.



INTELLIGENCE TEST

(53)
No mean legacy
by T. O. HARE

"SEEN this about the American heiress?" asked the Club Bore. "An American heiress?" "Daughter of a soap king or something. She has been left—she consulted his lawyer." "No one was interested, but the Club Bore isn't easily thwarted. 'What do you know?' he asked a few minutes later. "The number of dollars this woman has been left is equal to the fifth power of her age in years. He turned to his set and began to work that one out."

"If you mean how old is she?" I said coldly. "I can give you the answer in 10 seconds." I proceeded to do so.

"What is the lady's age?"

(London Express Service)

(Solution on Page 10)

• BARBS

By HAL COCHRAN

NOT enough attention is paid to educating pedestrians, says a judge. So lots of them step out and get bumps of knowledge.

A philosopher advises everyone to have an hour of meditation each day. An appropriate time is while you're waiting for a bus.

Being unlucky at cards makes people popular, says a writer. Maybe the partners just don't care.

The best lovers are flat-headed, says a doctor. Their rivals won't argue.

Check Your Knowledge

1. What's the script or synopsis of a motion picture called?
2. Rabid means (a) snobbish, (b) exerting every effort, (c) fanatical or carrying to an extreme, (d) extremely talkative.
3. What is a fox-hole?
4. What does the prefix "sequel" signify?
5. In what game would you find a shuttlecock?
6. Of what State in the U.S. is Richmond the capital?

(Answers on Page 10)

DUMB-BELLS

WHAT WAS THE LANGUAGE USED JUST GIST AWFUL, YOUR HONOR GIVE ME THE GIST!

CARDSTOCK

Q.—The bidding has been: South 1 Spade; North 1 N.T.; East Pass; West Pass.

South held: Spades A-K-T-7, Clubs A-J-2.

Hearts K-Q-Diamonds 10-9-7-6-5-4-

Clubs 10-9-8-7-6-5-4-3.

What do you bid?

A.—Bid two no-trump. This indicates that your hand was slightly better than the declarer's, but not one no-trump, but not strong enough for a bid of two no-trump. Your partner will go on to game with you.

Mr Merlin smiled. "Indeed there was," he said, "and it wasn't too long ago, either. How would you like?" he said suddenly. "To come back with me to those old days—just for a look? We'll see how things were before there were automobiles and before there were several other very ordinary things which hardly anyone ever wonders about any more."

Mr Merlin was right. There were wagons of all kinds—de-

livery wagons, huge heavy-wheeled trucks, and carriages and coaches of all kinds and sizes. But there was not a single automobile. Everything was drawn by horses.

"That's the address?" asked Knarf, as Mr Merlin rapped on the door.

"It's the year," said Mr Merlin. "It's the year 1800. As soon as we get inside, we'll see what things were like in the year 1800, just about one hundred and fifty years ago."

Just then the door was opened, and a man wearing light trousers, a long coat and a tall hat, was walking outside. "I'll show you everything."

The next minute, they all walked in through the door and found themselves coming out of a beautiful old brownstone house. At the curb stood a carriage to which a pair of beautiful black horses were hitched. The horses were tied up at an iron post.

Mr Century drove, while Mr Merlin, Knarf and Hand sat beside him.

Busy Street

"You see," said Mr Merlin, as they trotted down a busy street.

"'No automobiles,'" Mr Merlin whispered to Hand.

No Radios

There were no electric lights.

All the houses were lit by oil lamps and candles. There were no radios, no television, no telegraph poles, no fountain pens, no flashlights, no electric irons, no electric toasters, no aeroplanes, no steamships, no movies, no elevators, no tall buildings, no phonographs and records.

"But everybody looks happy,"

Knarf said to Mr Century.

"They're horseless carriages."

Mr Century remarked that he couldn't understand how a carriage could possibly go unless it was drawn by horses.

Instead of buses and trolley cars and trains, there were coaches, some of them drawn by four horses. And everybody has a good time even though they can't get as fast from one place to another."

Then they had Mr Century say good-bye and walked through a door marked TODAY and went home again.

Mr Century smiled. "We've got books and newspapers," he said, "and music and circuses and bread and butter and milk and pies—and the children have dolls and tin soldiers and dogs and ponies. And everybody has a good time even though they can't get as fast from one place to another."

Instead of buses and trolley cars and trains, there were coaches, some of them drawn by four horses. And everybody has a good time even though they can't get as fast from one place to another."

Then they had Mr Century say good-bye and walked through a door marked TODAY and went home again.

In salons where figure re-

modelling goes on at a great

rate, special exercises are given

for figure defects. It often hap-

pens that adipose tissue forms

on one part of the body when

the rest is of normal propor-

tions. In that event, diet alone

will not suffice.

But there is that matter of

leg contours that bothers some

especially those who have fat

calves and hate them. They do

not have to endure them. Correct

exercises will slim them down,

especially if attention is given

to diet. If the chubby will cut

down on fats, sweets and

starches she will stop feeding

her fat cells and they will

not go in for a hurry.

Anoint your hands with inno-

gen, which offers more resis-

tance than an ordinary cream.

Place your foot on a low stool.

Put both hands, fingers down-

ward, on the outer portion of

the calf, rub up and down with

heavy pressure. From ankle to

knee, pick up the flesh and roll

it between thumb and fingers.

This pummelling and pinching

will do the work if you are

persistent and also get in a

little daily exercise.

Exercise

Stand tall, chest lifted,

hands extended outward, on a

line with the shoulders, feet

fairly wide apart. Lower the

torso slowly, letting the lenses

extend outward. Count five,

come up on the toes slowly.

There will be a muscle pull

from hips to ankles that will

eventually knock the cells

away.

Scrape away the glass

which can never be replaced.

Abrasives should never be used

in cleaning enamel since they

scratch. The safest agent to use

is baking soda. Entirely non-

abrasive, soda cleans without

scratching, emulsifies grease and

washes off fruit and other acid

stains. Just sprinkle it directly

on the surface and wipe up with

a damp cloth.

JUNIOR BADMINTON CHAMPIONSHIPS

THE YOUNGEST COMPETITOR STOLE THE SHOW AT RECREIO LAST NIGHT

Says "ARGONAUT"

Although he lost to his older and bigger opponent, 13-year-old Ko Wai-kok of Wah Yan College, who stood barely three and a half feet tall, took the spotlight in yesterday's games of the Colony Junior Badminton Championships.

Wielding the racket in classical style, the youngest schoolboy soon in action so far in this season's Schoolboys' tournament showed yesterday a courtcraft and an execution of stylish strokes that should easily put him in the class of Champions in the near future.

Slightly nervous in the first set, young Ko succumbed to the hard hitting play of Leung Tin-sik by 1-5.

In the second set however, the accuracy in his strokes, may be one of the surprise producers as the younger boy earned repeated rounds of applause with beautiful point-scoring drop shots and smashes to win it by 16-8.

Despite his handicap of size and height, Ko carried on gamely to his opponent's half court, taking the offensive throughout. The third set saw his opponents take a lead of 14-7. Fighting back pluckily, the youngster reeled off five points in a row, all from point-scoring strokes, to catch up to 12-12, but could not stop Leung from clinching the set and match.

EASY FOR FAVOURITES THE TWO Men's Junior Doubles matches ended in rather easy wins for the favourites, but the Men's Junior Singles matches produced some good play.

A surprisingly good standard was seen in the match between the two "C" Division youngsters, D. T. Rocha and I. Erleson. Both showed vast improvement from their previous season's form, with Rocha the much more improved player. On his performance last night, Rocha, with a little more ac-

THE HONG KONG JOCKEY CLUB

FIFTH RACE MEETING

Saturday 1st & Saturday 8th March, 1952

(Hold under the Rules of the Hong Kong Jockey Club)

The First Bell will be rung at 1.30 p.m. and the First Race will be run at 2.00 p.m. each day.

There are 8 races on the 1st Day and 9 races on the 2nd Day (10 in all).

Through Tickets for the 2nd Day, 8th March, 1952, (at \$18.00 each) may be obtained at the Compradore Office of the Treasurers, 1st Floor, Telephone House, also tickets for the Cash Sweep on the last race of the Meeting as well as tickets on the 'Hong Kong Derby' scheduled to be run on 31st May, 1952.

To avoid congestion at the Club's Office at Telephone House, non-members are requested to purchase their sweep tickets at the Club's Branch Offices at—

5 D'Aguilar Street, Hong Kong
or
382 Nathan Road, Kowloon

TOTALISATOR

The attention of Totalisator Investors is drawn to the following rules:

Dividends will be paid on the winning and placed ponies, so declared by the Stewards when the "All Clear" is given. The "All Clear" signal will be indicated by a white light and/or a white sphere at the Totalisator Tower. BACKERS ARE ADVISED NOT TO DESTROY OR THROW AWAY THEIR TICKETS UNTIL AFTER THE "ALL CLEAR" SIGNAL HAS BEEN EXHIBITED.

Totalisator Tickets should be examined and checked before leaving the Selling Counters as mistakes of any description cannot be rectified later.

Cash received in respect of Dividends should be checked before leaving the Pay-Out Counters as no claim for short payment of the value of tickets presented can be entertained once Investors have left the Counters.

All winning tickets and tickets for refunds must be presented for payment at the Race Course on the day to which they refer, but none will be paid later than one hour after the time for which the last race of the day has been scheduled to be run.

In no circumstances will any Dividends be paid or refunds made unless a ticket is produced. Payment WILL NOT be made on torn or disfigured tickets.

MEMBERS' BADGES AND ENCLOSURE

Members and guests are reminded that they and their ladies MUST wear their badges prominently displayed throughout the Meeting.

NO ONE WITHOUT A BADGE WILL BE ADMITTED TO THE MEMBERS' ENCLOSURE.

Badges admitting ladies not in possession of Brooches or Season tickets and gentlemen, non-members of the Club, to the Members' Enclosure and Club Rooms at \$10.00 per day including tax, for ladies or gentlemen are obtainable through the Secretary at Telephone House, on the written or personal introduction of a Member, such member to be responsible for all visitors introduced by him, and for payment of all charges etc.

Only a limited number of badges admitting to Members' Enclosure will be on sale at the Race Course.

The Branch Offices and the Treasurers' Compradore Office will close at 11.00 a.m. on both days. The Secretary's Office will close at 11.45 a.m. each day. The Treasurers' Compradore Office and the Secretary's Office are situated at 1st Floor, Telephone House.

A limited number of tiffins will be obtainable at the Club House provided they are ordered in advance from the No. 1 Boy (Tel: 27818).

NO CHILDREN WILL BE ADMITTED TO THE CLUB'S PREMISES DURING THE MEETING.

PUBLIC ENCLOSURE

The price of admission to the Public Enclosure is \$3.00 each day including tax for all persons including ladies, and is payable at the Gate.

HOOKERS, TIC TAC MEN, ETC., WILL NOT BE PERMITTED TO OPERATE WITHIN THE PRECINCTS OF THE HONG KONG JOCKEY CLUB.

MEALS AND REFRESHMENTS WILL BE OBTAINABLE IN THE PUBLIC ENCLOSURE.

SERVANTS' PASSES

Servants' passes will be issued to private box holders only, who are requested to distribute them with discrimination and to endorse their names on the passes. Holders of such passes are not permitted in the Members' Enclosure except for passing through on their duties and must remain in their employers' stands.

Owing to the congestion in the Members' Betting Hall and at Booths adjacent to Boxes in the Coffee Room, Box-holders and Members are requested to ensure that their servants make use of the Public Betting Hall. Military Police will be posted at various points in the enclosure to ensure that this regulation is adhered to.

By Order,
H. MIAA,
Secretary.

ON THE RECORD
FAREWELL TO THE MOTHER OF THE GREMLINS

This picture needs no caption as everyone who has any connection at all with Hongkong sport knows Maudie Read and today she leaves our shores after having participated in very nearly every sport known here over a period of years to rival many of the oldest old-timers.

Maudie Read started, of course, as Maudie George and, though this may be a startling disclosure to young Gremlins and Widgets whose nursery days are not too far behind them, she was, among other achievements, twice the winner of the Harbour Race.

She was not only a great swimmer and diver, but also a great high-jumper, and believe it or not, once the Colony Cycling Champion.

Maudie Read believed also in the social side of hockey and when she ran the Gremlins they even had an annual dance.

The season was not long enough for her and, finished with the Ladies' League, her girls took on most of the unit teams in the Services with some success.

Her greatest achievement perhaps was in having the Gremlins invited to Kai Tak. It was the first time in history that Gremlins met the Royal Air Force in a friendly match.

In the past two seasons Maudie Read served the Gremlins as goalkeeper, being nominated last year as the Colony's all-time Ladies' Hockey XI.

To the younger generation, Maudie Read is only known as the Mother of the Gremlins, whom she founded, as well as the Widgets and the Ladies' Hockey League.

She was once the Colony's centre-forward and was nominated by "Bertie" Guest to the Colony's all-time Ladies' Hockey XI.

In the past two seasons Maudie Read served the Gremlins as goalkeeper, being nominated last year as the Colony's all-time Ladies' Hockey XI.

Today we bid goodbye to the greatest, the most lovable and the best-humoured personality in Hongkong sport and to her family. The loss to Hongkong hockey will be deeply felt.

Lengthy Heaves

While the HKATPA was deciding to encourage more participation in the field events, Wednesday's triangular Home international at Boundary Street between the 1st Battalions of the Royal Ulster Rifles, the Middlesex Regiment and the Argyll and Sutherland Highlanders, with the 45 Field Regiment, Royal Artillery, also participating, brought out some throwers who may yet overrule the Association's standard medal limit.

To begin with, Cpl. Douglas (A & SH) and Lt. Arnold (45 Field) both reached out to 24 feet in the Shot Put and seemed to have enough in hand to find another foot for a standard medal. RSM Weller (Middlesex) reached out to 33 feet 10 1/2 inches and Lt. Chadwick (Middlesex) to 32 feet 8 inches.

There were two others over 30 feet. Capt. Deacock (Middlesex) reached out to 94 feet 9 1/2 inches in the Discus Throw and there was one other thrower over 80 feet. In the Javelin Throw, Lt. Fothergill (Middlesex) let the Association know that it could start minting one medal right away by throwing out 141 feet 4 inches.

There were, in all, 19 performances that will qualify for the year's 10 best list for Hongkong. These included a high jump of 5 feet 3 inches by Capt. Hall (45 Field), pole vaults of nine feet by Pte Smythe (RUR) and Lt. Goodge (45 Field), three javelin throws—122 feet 8 inches by RSM Weller (Middlesex), 110 feet 3 1/2 inches by Leslie (A & SH) and 110 feet 2 inches by Watt (RUR) a long jump of 19 feet 11 inches by Hutchings (45 Field), and a hop, step and jump of 40 feet 4 1/2 inches by Cpl. Lead (Middlesex).

Maudie Read caused a near crisis more than once, with umpires. She had a way of telling them what to do, which they did not appreciate. But she knew the rules better than they did. In protest against this, the Big Chief Umpire decided to turn out himself, as the whistler in a Gremlin's match and finally establish who was the boss.

Unfortunately, it was the big match against the Victorians and he kept getting into the way of Captain Suzanne Whitworth, the Victorian star-winger, with a couple of the blower Gremlins in chase and the best he could do was run ahead of them fast enough to keep out of the way.

TODAY'S SPORT

LAWN TENNIS
Colony Open Championships at HKCC Courts, Chater Road, commencing 9 a.m.—Paul Wal-pul and Holmes; Lee Wai-tung and Fitz-Ling; Frank Yeh and Liu Cheung; Kuen-kwong and Cheung; Anthony Ping-hun and Liang-chuen.

BADMINTON

Colony Open Championships at Craggwater Cricket Club, commencing 9 a.m.

Tomorrow's Home Soccer

Manchester United Should Improve Their Position At The Top Of The League

By DENNIS HART

In the past many teams have striven for the double. But since the beginning of the present century no club has managed to win the League Championship and the FA Cup in the same season.

Arsenal and Portsmouth both have a good chance of carrying off football's two major honours this season. But while they are engaged in the Cup, Manchester United, with only the Championship to worry about, are consolidating their position.

United, who travel to Roker Park today can improve their place at the head of the table even further as their rivals battle for the right to appear in the semi-final.

The match with Sunderland should be a most attractive fixture for the north-easterns, despite their lowly League position, are playing delightful football. This is to be expected from a forward line which contains such a brilliant full player as international inside right Len Shackleton and bustling Welsh centre-forward Trevor Ford.

They also have a good defence, in which centre-half Hall and goalkeeper Mapson, members of the victorious 1937 Cup-winning side, are playing as well as ever.

In fact Sunderland have all the attributes of a successful side, but it was not until recently that their good football was translated into points value. This occurred when Willie Watson, capped for England at right half, was moved to the left wing. Now there is more penetration in the forward line.

NO CLEAR GUIDE

The Second Division struggle for promotion grows in intensity each week. But no clear guide as to the teams likely to go up can be expected from to-day's game. For Blackburn and Sheffield United are engaged in the Cup and their original League opponents, Sheffield Wednesday and Cardiff, are without a game. All four may be involved in a neck finish.

And as Notts Forest, Leicester and Birmingham, three more promotion contenders, have away games their respective chances of opening up a lead cannot be rated very high.

Birmingham, the best away side in the division, visit West Ham, where they have not lost since the war. But they will not find the recently improved 'Hammers' easy to beat.

SCOTTISH CUP TIES

In Scotland, interest is centred on the fourth round cup-tie between Plymouth's sturdy, ex-Tottenham centre-half Jack Chisholm, and Read.

Read's dashing centre-forward Ronnie Blackman, top scorer of the division.

In the Third Division North, Lincoln should continue their winning way in their home game with Halifax, who have gained only one point at Lincoln in the last eight games there.

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BUTTERFIELD & SWIRE
Ching Ho Ho & Swire (Hongkong) Ltd.

CHINA NAVIGATION CO., LTD.

SAILINGS TO

"KONTUM" ... Halphong 10 a.m. 8th Mar.
"HANYANG" ... Tientsin 10 a.m. 10th Mar.
"SHENGKING" ... Keeling 5 p.m. 12th Mar.
"PUKIN" ... Jakarta, Cheribon, 10 a.m. 13th Mar.
Somarang, Sourabaya & Macassar 10 a.m. 15th Mar.
"YOCHOW" ... Bangkok 10 a.m. 15th Mar.
"SZECHUEN" ... Singapore & Perlang 10 a.m. 15th Mar.
"SINKIANG" ... Yokohama, Nagoya, 5 p.m. 15th Mar.
Osaka & Kobe 5 p.m. 19th Mar.
"SHENGKING" ... Keeling 10 a.m. 23rd Mar.
"HUPEN" ... Tientsin 5 p.m. 25th Mar.
"SOOCHOW" ... Bangkok Sails from Custodian Wharf

ARRIVALS FROM

"SZECHUEN" ... Osaka 7 a.m. 10th Mar.
"SHENGKING" ... Keeling 11th Mar.
"PUKIN" ... Kobe 11th Mar.
"PAKHAI" ... Moji 13th Mar.
"SINKIANG" ... Singapore 13/14th Mar.
"YOCHOW" ... Yokohama 14th Mar.
"PUNING" ... Bangkok 17/18th Mar.
"HUPEN" ... Tientsin

A.O. LINE LTD./C.N. CO., LTD., JOINT SERVICE

SAILINGS TO

"TAIYUAN" ... Manila & Sydney Noon 12th Mar.
"TAIPING" ... Sydney & Melbourne 20th Mar.
"CHANGSHA" ... (for passengers only) 27th Mar.

ARRIVALS FROM

"TAIYUAN" ... Kure 10th Mar.
"TAIPING" ... Nagoya 23rd Mar.
"CHANGSHA" ... Yokohama 20th Mar.

BLUE FUNNEL LINE

Scheduled Sailings to Europe via Aden & Port Said

"HELEUS" ... Marseilles, Liverpool & Glasgow 7th Mar.
"CLYTONEUS" ... Genoa, London, Rotterdam & Hamburg via Manila

"ANCHISES" ... Dublin, Liverpool & Avonmouth 20th Mar.
"PATROCLUS" ... Marseilles, Liverpool & Glasgow 6th Apr.

Scheduled Sailings from Europe

Sails Liverpool Sails Hong Kong
S. "CLYTONEUS" ... Sailed Rotterdam
S. "PATROCLUS" ... do Sailed
S. "ASTYANAX" ... do —
G. "AENEAS" ... do —
S. "ASCANIUS" ... 12th Mar. 16th Mar.
G. "PERSEUS" ... 18th Mar.
G. "AGAPenor" ... 25th Mar.
G. "CALCHAS" ... 5th Apr.
G. "AUTOMEDON" ... 11th May

G. Loading Glasgow before Liverpool.
S. Loading Swansea before Liverpool.

Carrriers' option to proceed via other ports to load & discharge cargo.

DE LA RAMA LINES

ARRIVING via MANILA FROM
U.S. ATLANTIC & PACIFIC COAST PORTS
"DONA NATI" ... 18th Mar.
"ANDAMAN" ... 10th Apr.

Gothay Pacific Airways Ltd.

Route Departs Hongkong Arrives H.K.
IIIC/Bangkok/Singapore (DC-4) 8.00 a.m. Mon. Thurs. 8.45 a.m. Tues. Fri.
(Connects at Bangkok with U.B.A. to Rangoon)
IIIC/Hanoi/Haiphong (DC-3) 10.00 a.m. Tues. 2.15 p.m. Wed.
IIIC/Saigon/Singapore (DC-4) 12.00 Noon Tues. 4.15 p.m. Wed.
IIIC/Manila/D.N. Borneo (DC-3) 9.00 a.m. Fri. 3.45 p.m. Wed. Sat.

All the above subject to Alteration without notice.

For passage and freight Particulars please apply to

CONNAUGHT RD C Tel. 303318
BRANCH OFFICE: 50 Connaught Rd West 25875-32144-24878



ARRIVALS

FROM DUE

"BENATTOW" ... U.K. via Singapore on or abt. 16th Mar.
"BENAVON" ... Japan 21st Mar.
"BENLEDI" ... U.K. via Singapore 30th Mar.
"BENCLEUCH" ... U.K. via Singapore 18th Apr.
"BENCRUACHAN" ... Japan 24th Apr.
"BENMACDHUI" ... U.K. via Singapore 25th Apr.

SAILINGS Loading on or abt.

"BENATTOW" ... London & Hamburg 10th Mar.
"BENAVON" ... Direct to Singapore, thence Liverpool, Glasgow, Dublin & Hull. 22nd Mar.

"BENLEDI" ... Kure, Yokohama & Kobe. 5th Apr.

"BENCLEUCH" ... Avoindon, Liverpool, Glasgow & Antwerp. 22nd Apr.

"BENCRUACHAN" ... Direct to Singapore, thence Haifa, London & Hamburg. 26th Apr.

"BENMACDHUI" ... Kure, Yokohama & Kobe. 26th Apr.

5 Calls Manila, Tawau, Sandakan, Jesselton & Labuan.

W. R. LOXLEY & CO., (CHINA) LTD.

Agents,

Telephone: 84165.

CHINA MAIL

J. WYNHAM & SONS LTD.

HONGKONG

PUBLISHED DAILY

(AFTERNOON)

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Saturdays 30 cents.

Subscription: \$6.00 per month.

Postage: China and Macao \$1.00

per month, U.K., British Possessions

and other countries \$3.00 per month.

News contributions, always welcome, should be addressed to the Editor.

Telephone: 2681 (5 Lines).

KOWLOON OFFICE:

Salsbury Road.

Telephone: 5263.

NOTICE

THE "STAR" FERRY COMPANY, LIMITED.

Notice to Shareholders

ORDINARY GENERAL MEETING

NOTICE is hereby given

that the Fifteenth Ordinary

Yearly Meeting of the

Members of the Company

will be held at the Office of

Messrs. Jardine, Matheson &

Co., Ltd., Pedder Street,

Hong Kong, on Friday, 28th

March, 1952, at Noon for the

following purposes:-

1. To receive and consider

the Report of the Directors

and the Statement of

Accounts for the year

ended 31st December,

1951, and the Auditors'

Report thereon.

2. To sanction a dividend in

respect of the year 1951.

3. To elect Directors.

4. To appoint Auditors.

CLOSING OF

TRANSFER BOOKS

Notice is also given that

the Transfer Books and

Register of Members of the

Company will be closed from

15th March, 1952, to 28th

March, 1952, both days

inclusive.

By Order of the Board

of Directors.

G. B. S. THOMSON,

Secretary.

Hongkong, 5th March, 1952.

NOTICE TO CONSIGNEES

m/v "ANCHISES"

Damaged cargo ex this vessel will

be surveyed at Holt's Wharf between

10 a.m. and Noon on March 10 and

11, 1952, and consignees are requested

to have their representatives present

during the survey.

BUTTERFIELD & SWIRE,

Agents.

Hongkong, March 7, 1952.

ORDERS BOOKED

By Lee Falk and Phil Davis

MANDRAKE THE MAGICIAN

After all that adventure we had in the jungle I find this too calm and quiet.

HIM BORED. WANT MYSTERY STUFF.

NARDO, LET'S CALL THE CHIEF AND SEE IF HE HAS ANY UNUSUAL CASES.

NOT ME! I'M NOT BORED. I'M GOING SHOPPING.

JUST ROUTINE TODAY. NOTHING THAT'D INTEREST YOU, MANDRAKE.

I WAS AFRAID OF THAT. THANKS ANYHOW, CHIEF.

IF MANDRAKE WANTS EXCITEMENT, HE'LL PROBABLY GET IT.

By Milk

FERD'NAND Standard Equipment

Cartoon by Fred Frazee, Syndicate, Inc. World Copyright.

Dino At the P. G. For Reservations Tel: 27880

NOTICE TO CONSIGNEES

CONSIGNEES PER

LLOYD TRIESTINO

m.s. "S. CAROTO"

are hereby notified that their cargo

is being discharged into the Hong-

kong & Kowloon Wharf & Godown

Co.'s godown where it will be at

the consignee's risk and subject to the

terms of storage and condition of storage,

and where delivery may be obtained.

Damaged packages are to be left

in the godown for examination by

Consignees and the Company's sur-

vayers, Messrs. Goddard & Dougla-

s at 10 a.m. on the 12th March, 1952.

To comply with the General Bonded

Warehouse Regulations, consignees

must have a Revenue Officer in

attendance when damaged dutiable

goods are examined.

No claims will be admitted after

the goods have left the steamer's

godown and all goods remaining un-

delivered after the 13th March, 1952,

will be subject to rent.

All claims against the steamer must

be presented to the Underwriter on

or before the 20th March, 1952, or

they will not be recognised.

No Fire Insurance will be effected.

BODWELL & CO., LTD.

Agents

Hongkong, 20th February, 1952.

HONGKONG C

MESSAGERIES MARITIMES



Arriving Leaving Outward For

"LA MAESELLAISE" Mar. 30 Mar. 31 Kobe, Yokohama.

"MAPIE HILL" Apr. 9

Homeward For

"FELIX ROUSSEL" In Port Mar. 7 Marseilles via Manila

"MORTAIN" Mar. 15 Mar. 16 N. Africa & Europe

"ZELIDA" Apr. 4 Apr. 5 N. Africa & Europe

passengers & freight.
freight for Saigon, Alexandria, Tunis, Marseilles, Algiers, Oran, Tangier, Casablanca, Havre, Dunkirk, Antwerp & Rotterdam.

Subject To Change Without Notice.

CIE DES MESSAGERIES MARITIMES

P.O. Box 53, Hongkong

Queen's Building (Gr. floor) Tel. 26651 (3 lines).

M.V. "FELIX ROUSSEL"

will sail for

MARSEILLES

via

MANILA, SAIGON, SINGAPORE, COLOMBO,
DJIBOUTI & PORT SAID.

on

Friday the 7th of March at 9 P.M.

Passengers are requested to board the vessel with their cabin baggage on Friday the 7th of March between 4 P.M. and 8 P.M. (Dinner for passengers at 7 P.M.)

Baggage Room and Hold Baggage will be registered at Kowloon Godown No. 50 (No. 2 Gate Canton Road, Entrance) on Thursday the 6th of March from 9 A.M. to NOON and 2 P.M. to 4 P.M. and on Friday March 7th from 9 A.M. to NOON ONLY.

No baggage will be accepted for registration after this time.

CIE DES MESSAGERIES MARITIMES

P.O. Box 53, Hongkong.

Queen's Building. Tel: 26651(3 lines).

STARTLING RISE IN COSTS OF OIL INDUSTRY

London, Mar. 6.

The startling post-war rise in oil industry costs is revealed in figures just published by the American Petroleum Institute.

To take one example, drilling. Although revenue per foot drilled remains about the same as in 1941, drilling costs have risen by over 80 per cent since that date.

Refinery construction costs likewise are some 100 per cent above pre-war level and marketing costs have increased by between 125 per cent and 140 per cent, while a pipeline which cost, on average, the equivalent of £4,000 per mile to build in 1938 now costs between £7,000 to £8,000 for the same distance.

To carry out the necessary replacement, modernisation and expansion schemes undertaken in the U.S.A. itself during the five years 1940-1950 the oil men spent the equivalent of well over £3,000,000,000 and are expected to spend another £1,300,000,000 in 1952 alone.

That sort of expenditure would of course be a matter for discussion by the conference but it is considered unlikely that Japan will be able to repay the whole of her Sterling debts at once. Some form of funding operation will almost certainly be necessary.

Meanwhile, indications from America that the Truman Administration is anxious to secure speedy ratification of the Japanese peace treaty have been favourably interpreted on the Stock Exchange where Japanese bonds have made some notable gains.

Regrouping Of Factories In Japan

Tokyo, Mar. 6.

The American authorities plan to regroup Japanese plants under direct and indirect control of the garrison forces, according to well-informed circles.

State-owned plants requisitioned by the Americans—will be placed under the direct control of the garrison forces while civilian plants will be controlled indirectly through an American supervisor.

According to the newspaper Yomiuri, the Americans plan a huge motor-car plant embracing the Fuji Motor Works in the Oppama area in the vicinity of Yokosuka. About 20 Japanese plants in the area would be requisitioned and incorporated in the huge plant together with their present workers. France-Press.

Jap Freighters' India Trip

Tokyo, Mar. 6.

The Kokusai Line's Nisan Maru, 8,000 tons, is to leave Nagoya on Mar. 22 or 23 with a full load of cargo for India and Pakistan, the Jiji Press reported this morning.

Shipping circles said that this is the first time any Kokusai Line vessel operating on this route has carried a full cargo. The cargoes include steel products, machinery, ceramic goods and sundry goods.

Gold Reserve Below The Safety Level

London, Mar. 6. A qualified informant said yesterday that the Sterling Area's gold and dollar reserves had slipped below \$2,000,000,000—long regarded as the minimum safety level.

There is some concern that by June 30 these reserves—the Sterling Area's capital for trade with the rest of the world—may sink as low as \$1,000,000,000.

This would be only \$250,000,000 more than the crisis total reached just before devaluation of the Pound Sterling in September, 1949. From that low point of \$1,350,000,000 the reserves had climbed, at most, to \$4,000,000,000 by the middle of last year before the current decline started.—Associated Press.

FOREIGN EXCHANGES IN NY

New York, Mar. 6. USD/100 = 170/170

Canadian dollar 2.20/2.21

Unofficial 2.21 b/d

2.21 asked

30-day futures 2.27/2.28

90-day futures 2.27/2.28

Australia 2.27/2.28

New Zealand 2.27/2.28

South Africa 2.27/2.28

Belgium 1.008/1.010

France 1.022/0.910

West Germany 1.020/1.020

Italy 1.020/1.020

Norway 1.020/1.020

Portugal 1.020/1.020

Spain 1.020/1.020

Switzerland 1.020/1.020

Middle East 2.00/2.00

Egypt 2.00/2.00

Iran 2.00/2.00

Turkey 2.00/2.00

Latin America 2.00/2.00

Argentina 2.00/2.00

Brazil 2.00/2.00

Bolivia 2.00/2.00

Chile 2.00/2.00

Colombia 2.00/2.00

Cuba 2.00/2.00

Mexico 2.00/2.00

Peru 2.00/2.00

Venezuela 2.00/2.00

Far East 2.00/2.00

India 2.00/2.00

Pakistan 2.00/2.00

Hongkong 2.00/2.00

Indonesia 2.00/2.00

Singapore 2.00/2.00

Japan 2.00/2.00

—USD to US\$1—

United Press.

Jap Metal Production

Tokyo, Mar. 6. Japan's production in January of ferrous metals, particularly iron and steel, continued the upward trend established in the latter months of 1951, according to statistics compiled by SCAP's Economic and Scientific Section.

Compared with a year ago, the January 1952 output of pig iron increased 44 per cent. Steel ingot production showed an increase of 16 per cent over that of a year ago.

The statistics showed that 300,700 metric tons of pig iron were turned out in January 1952, and 505,000 metric tons of hot rolled steel produced in the same period.—France-Press.

CHICAGO GRAINS

Chicago, Mar. 6.

Only very small price changes were recorded in grains at the opening on the Board of Trade today. The trading pace was slow and the market lacked any real trend.

Wheat started unchanged to 1/4 cent higher Mar. \$2.623c.

Soybeans were 1/4 cent lower to 7/8 higher Mar. \$2.023c.

Associated Press.

NY Cotton Market

New York, Mar. 6.

Cotton futures opened unchanged to 38 cents a lb.

lower.

March 40.43

May 39.00-70

July 38.70-77

October 38.87-90

December 35.51

May 35.41

July —

Associated Press.

Britain To Bring Up Japan's Sterling Debts At Financial Talks

(OUR CWN CORRESPONDENT)

London, Mar. 6.

Talks which are due to begin at the end of this month between the British Treasury and the Japanese Government, to review the working of the new Sterling payments agreement, are expected to include at least some reference to Japan's Sterling debts.

The suggestion may be made that surplus Sterling balances built up by Japan since the agreement came into operation last September should be used to redeem part of her £90 million debt to Sterling bondholders.

Signing of the new payments agreement, which ended the previous dollar conversion arrangement, was welcomed as a means of increasing trade between Japan and the Sterling Area.

HONGKONG SHARE MARKET

(From Our Correspondent)

Business done on the Stock Exchange this morning amounted to \$270,875. Noon quotations and the morning's transactions:

SHARES BUYERS SELLERS SALES

BANKS HK Bank XD 1470 1500 2 1400

INSURANCES Colonial 260

Union 763

HK Fire 150

SHIPPING Asia Nov. 15,000 or 17,250

4,500 or 5,000

DOCKS, ETC. K. Wharf 107

N. P. Wharf 500 or 6,000

Providence XD 121

43 45 100 or 45

LAND, ETC. HK Hotel XD 7,40 7,60 500 or 750

HK Land 600 614 500 or 615

Shai Land 1,10 13

Humphreys XD 29

Realty 29

UTILITIES Train 17.40

Power 24

C. Light (O) 512 500 or 4,49

C. Light (N) 700 600 or 5,49

Electric XD 20,00

500 or 20,000

INDUSTRIALS Cement 100 or 104

1000 or 1050

Rope, ETC. Dairy 10 10 200 or 194

220 or 194

Watson XD 241

L. Crawford 331

Miscellaneous Yangtze 5,05

5000 or 5,05

Waiting For
The Budget

London, Mar. 6.

Business in the London Stock Exchange remained firm today but traders appeared content to coast until they get a look at the Churchill Government's Budget.

Gilt-edged securities got moderate support.

The new Budget will be presented to the Commons on Tuesday.

The Financial Times' daily index was 113.3.—Associated Press.

Exchange Rates

London, Mar. 6. The Bank of England statement for the week ending Mar. 5 reads as follows:

Notes in circulation £1,375,111,000

Public deposits 20,193,000

Private deposits 37,021,000

Government securities 32,209,000

Other securities 20,777,000

Bank ratio 7.0

—United Press.

BANK OF FRANCE

</

Joseph Booth & Bros.

Standard Steam Travelling Jib Cranes,
Railway Breakdown & Main Line Type Cranes,
Railway & Warehouse Fixed Cranes.

ENGINEERING EQUIPMENT CO. LTD.
H.K. & Shanghai Banks Bldg. Tel. 277-739

CHINA MAIL

Established 1845

Page 10

FRIDAY, MARCH 7, 1952.



Hospitality

Hongkong Bank Meeting

(Continued from Page 4)

and the outlook for 1952 is not much improved.

Much has been written about the ambitious five-year plan, the draft of which was published during the year. Its importance is clearly evident and it is justly claimed to be an advance on the six-year plan prepared in connection with the Colombo programme, but the prior emphasis is still on schemes which will help to produce large quantities of food. Meantime as part of their contribution to the Colombo Plan programme Australia, Canada and the United States of America have contributed supplies of food grains and the rupee counterpart fund has been used to provide loans to help local projects which also benefit food production. Early in January an agreement was signed with the United States by which the latter agreed to provide US\$54 millions as a Technical Co-operation Fund for rural development schemes. This project taken with the technical programme which is already progressing rapidly under the Colombo Plan will undoubtedly prove of great benefit to India's production in the course of time.

The recent agreements relating to the establishment of three Oil Refineries in India is also of great interest and importance in view of the special terms obtained by the oil companies.

My comments today on developments in a large country like India must necessarily be inadequate and sketchy. I have looked on the rosy side of things; there is unfortunately another side but the balance shows that there has been progress although much remains to be done.

CEYLON

The foreign trade of Ceylon continued in a satisfactory state last year and exports exceeded imports by Rs. 345 million. Great interest was taken in the visit of a strong mission from the International Bank under

the leadership of Sir Sydney Caine who is well known to many of us in this Colony. The Mission will shortly be reporting on the financing of further agricultural and industrial development which is much needed in order to diversify the economy of the country. The Government Party lost a few adherents during the budget debate last year, but the Prime Minister still has a working majority and his views and outlook were happily expressed in the course of the same debate when he said: "We want friends and we feel that the best friends we could have are the British and other members of the Commonwealth."

THAILAND

The International Bank authorities have also been active in Thailand in connection with their loans made at the end of 1950. A Railway Authority and a Port Authority have been set up each governed by an autonomous Board as stipulated by the Bank. The year saw some surprising political occurrences but after the dust had settled down outward appearances showed no change. The financial situation gives no cause for immediate anxiety but there are inflationary tendencies as in so many other countries in the world. Mr W. A. M. Dell, the Financial Adviser to the Government, who has for fifteen years identified himself faithfully with the interests of Thailand, resigned last March. His final report received considerable publicity and contained a number of important recommendations which will not receive the careful consideration of the Government. Mr Dell asserted that "Siam is riding on the crest of a wave of unparalleled prosperity" but he also uttered some words of warning about the excessive number of small banks, the need to strengthen the Central Bank and the evil effects of the Exchange Turnover Tax. There was again a bumper rice crop last season and exports in the year probably exceeded 1,000,000 tons, a record figure. Unfortunately the surplus for export

in 1952 is put at only 1,100,000 tons which is, I hope, an underestimate.

It is disappointing that internal political conditions in Burma should have failed to improve in the past year and recently the situation on the Burma-China-Siam frontier has given rise to much uneasiness. The decision of the Burmese Parliament last October agreeing to the establishment of a Karen State within the Union of Burma was welcome but more genuine co-operation on the part of the Karens as a whole has not yet become apparent.

The rice trade is of course the backbone of Burma's economy but rice exports are still a long way below the pre-war figure of 3½ million tons although there was a slight improvement in 1951 when exports reached slightly over 1½ million tons. Other important export products such as timber, minerals and oil remain far behind pre-war levels. Nevertheless the balance of trade for the year showed a favourable balance of Rs. 63 millions.

OL AGREEMENT

The agreement made on December 1st with the Burma Oil Co. leads to the hope that in due course the oil industry will once again recover. Its former capacity even though progress in this direction is certain to be slow. Another good sign was the agreement reached in October with the Burma Corporation on the working of the Bawdwin Mines which in the past have produced large quantities of silver, lead and zinc.

American aid has continued and arrangements have been made to rehabilitate the port of Rangoon and five other ports which between them handle most of the foreign trade of the country. Recently Burma has decided to participate in the Colombo Plan. The Government fully realises the need for attracting foreign capital to rehabilitate and develop the country and in this connection they hold strongly that Japan should provide reparations to restore the damage caused in the war.

INDO-CHINA

The untimely death of General de Lattre de Tassigny

cast a gloom over all who are interested in the future welfare of Indo-China but the General's policy of building up the political and military strength of Vietnam has been endorsed and is being continued by the French Government. Meanwhile the American military aid programme has been getting into its stride. Business conditions are naturally unstable but exports of the country's main commodities, rice, rubber and coal increased in 1951 over the previous year. Rice exports totalled over 300,000 tons in 1950 and there is an optimistic outlook regarding rice prospects for 1952, based on the expectation of increased production of Cambodian rice. Our Offices at Saigon and Haiphong fully utilised all the resources at their disposal and had a successful year, but when a comparison is made with pre-war economic conditions it is tragic to realise how much leeway there is to make up and how much better trading conditions would be if only political troubles did not dominate the scene.

JAPAN

The Treaty of Peace which

was signed by 49 nations at San Francisco on September 8th 1951 was of course the most notable political event of the year for Japan. But the opposition of Russia and the Chinese People's Government leaves serious problems for the future.

In the business field one of the main events was the transfer of SCAP control over foreign currency funds to the Japanese Government Foreign Exchange Control Board as a consequence of which Japan obtained complete control of her foreign trade.

Another important event was the signature of the new Sterling Area Payments Agreement on August 31st last. In this agreement the dollar convertible clause of the earlier

agreement was omitted thus

leaving all payments between

Japan and the sterling area to

be settled in sterling. It was

hoped that this would result in

an expansion of trade both

ways but unfortunately Japanese

exports to the sterling area

have increased while imports

have not kept pace leaving an

accumulation of sterling

amounting possibly to as much

as £100 millions. Meanwhile

exports to the dollar area have

fallen off but imports from that

source have increased.

It is obvious that adjustments

are necessary whereby Japanese

purchases can be switched in

the future to the sterling area

so far as it is possible. This

complicated matter is now being

studied in Tokyo by representa-

tives of the two Governments.

VEILY REAL DANGER

The dangers of inflation

in Japan have become very

real in the course of the

past year as has been

pointed out by the American banker, Mr Joseph Dodge. Currency in circulation has increased from 422 billion to 500 billion Yen and prices have been rising steadily. At the same time an unhealthy situation has been developing as a result of the excessive credits granted by the Bank of Japan to some of the leading Tokyo banks. On the other hand industrial activity and production still continue to expand and agricultural production is now claimed to provide over 80% of Japan's food needs.

There will be many difficult problems facing Japan in the coming year. Reparations will be the subject of negotiation with several countries. The future of Korea will affect Japan closely. Trade with China is brisk with political complications as does also the matter of her relations with Formosa; a satisfactory settlement can hardly be expected until the Korean conflict comes to an end.

THE PHILIPPINES

The internal political situation in the Philippine Islands improved in the past year largely through the effective efforts of the energetic Defence Secretary whose intensive campaign against the Huks has brought about definite change for the better.

Unfortunately the land reform measures are lagging and agrarian unrest seems likely to continue until more active steps are taken to deal with this problem.

Externally the outstanding

event of the year was the signature of the Mutual Defence Pact between the United States and the Philippine Islands which was followed by the signature of the Japanese Peace Treaty at San Francisco on September 8th. Now the negotiations with the Japanese regarding war reparations have started and there will no doubt be long and hard bargaining before any agreement is reached.

Various important recommendations of the Bell Economic Mission have been implemented in the course of the year such as the Minimum Wage Law and the Exchange Tax Law. The latter and other increased taxes were of considerable benefit to the coffers of the Government.

RESERVE FAILS

However the international reserve of the Central Bank fell during the year from US\$290 millions to US\$246 millions owing largely to increased issues of import licences which were aimed at

counteracting inflationary pressures. Whereas there was an export surplus in the first half of the year, the second half produced a considerable increase in imports so that the final trade figures were imports Ps. 959 million, exports Ps. 831 millions, showing an adverse balance of Ps. 128 millions. The decline in prices of important export commodities such as copra, coconut oil and hemp in the second half of the year also affected the export figures. In view of the world demand for many of the products of the Philippines, more rapid progress with agricultural programme already laid down should provide reparations to restore the damage caused in the war.

INDO-CHINA

The untimely death of General de Lattre de Tassigny cast a gloom over all who are interested in the future welfare of Indo-China but the General's policy of building up the political and military strength of Vietnam has been endorsed and is being continued by the French Government. Meanwhile the American military aid programme has been getting into its stride. Business conditions are naturally unstable but exports of the country's main commodities, rice, rubber and coal increased in 1951 over the previous year.

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VEILY REAL DANGER

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ambassador to Japan.

It is clear that the Japanese

economy is in a very bad

state and the situation is

likely to worsen.

Secondly I want to congrat

ulate the Chairman on the record

Balance Sheet and on a most in

teresting and informative review

of political and economic affairs

in the countries where the Hong

kong and Shanghai Bank opera

tes. Unfortunately the picture

SIDE GLANCES By Galbraith



"You'd better not change him any more—you always stick yourself, and I don't want his first words to be profane!"

President Truman Attacks Critics

(Continued from Page 1)

more than we do now to make up for the loss of materials and armed forces we now get from our allies. What is worse we would still not be secure.

RISKS TOO GREAT

"Some people say we should not send our partners such things as raw materials and machinery. They claim that we can save money by sending our partners only things that shoot. These people do not realise that this would not be saving money at all. On the contrary, it would cost us more money.

"If we do not make it possible for other nations to increase their own defence efforts we would have to send more arms from our own production.

"The people who say 'We cannot afford it' are the same people who have been saying 'We can't afford it' in every worthwhile thing America has undertaken in the last 20 years.

"If they had been right we would be bankrupt."

Continuing, President Truman said that those were in favour of the mutual security programme but who were in favour of the security programme but who said that "we shall have to cut it by several billion dollars".

This was a very popular point of view in an election year.

"But I think most of you will agree with me that we would

be better off to win the fight against Communism than to win any particular election," the President added.

RISKS TOO GREAT

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